

The NATIONAL UNDERWRITER



RIGHT TO A SECRET BALLOT... In 1855 New York City's Mayor Wood feared that righteous groups would prevent his re-election. With the aid of hired ruffians and the assistance of corrupt members of the police force, many honest citizens were attacked and severely beaten as they went to the polls. Public indignation

was so aroused at this abuse of democratic rights that Wood was put out of office.

Our strict adherence to the principles of democracy has gained the confidence of the Agents of America, of which we have a great appreciation.



CRUM & FORSTER
MANAGER



110 WILLIAM STREET • NEW YORK 7, NEW YORK

| | | | |
|--|----------------|--|-------------------|
| UNITED STATES FIRE INSURANCE CO. | Organized 1824 | THE WESTERN ASSURANCE CO., U. S. Branch | Incorporated 1851 |
| THE NORTH RIVER INSURANCE CO. | Organized 1822 | THE BRITISH AMERICA ASSURANCE CO., U. S. Branch | Incorporated 1833 |
| WESTCHESTER FIRE INSURANCE CO. | Organized 1837 | SOUTHERN FIRE INSURANCE CO., Durham, N. C. | Incorporated 1923 |
| THE ALLEMANNIA FIRE INSURANCE CO. of Pittsburgh . Organized 1868 | | | |

WESTERN DEPT. FREEPORT, ILL. PACIFIC DEPT. SAN FRANCISCO • SOUTHERN DEPT. ATLANTA • ALLEGHENY DEPT. PITTSBURGH • VIRGINIA-CAROLINAS DEPT. DURHAM, N. C.

THURSDAY, FEBRUARY 15, 1951

NEW BUSINESS IS THE LIFE-BLOOD OF EVERY AGENCY!

One fertile source of it is found among the fast-growing Inland Marine lines, where premium volume continues upward year after year. Inland Marine offers today's best opportunities for new business and increased production.

Pep up, step up your production by selling the Inland Marine and Special Lines listed below. Check the ones you're interested in developing and write the Home Office. You are assured of prompt information and assistance. Remember, *if it's Inland Marine, we write it!*

- | | | | |
|---|--|---|---|
| <input type="checkbox"/> Bailor Forms (Customers' Goods) | <input type="checkbox"/> Golfers' Equipment Floater | <input type="checkbox"/> Neon Signs | <input type="checkbox"/> Rain Insurance |
| <input type="checkbox"/> Bridge & Tunnel Insurance | <input type="checkbox"/> Gun Floater | <input type="checkbox"/> Outboard Motor Boats and/or Motors | <input type="checkbox"/> Registered Mail |
| <input type="checkbox"/> Camera, Projection Machine and Equipment | <input type="checkbox"/> Horse & Wagon Floater | <input type="checkbox"/> Owners' Cargo on Owners' Trucks | <input type="checkbox"/> Salesmen's Sample Floater |
| <input type="checkbox"/> Cold Storage Locker Insurance | <input type="checkbox"/> Installation Floater | <input type="checkbox"/> Parcel Post Insurance | <input type="checkbox"/> Scientific Instruments |
| <input type="checkbox"/> Contractors' Equipment | <input type="checkbox"/> Jewelry & Furs Floater | <input type="checkbox"/> Parking Meters | <input type="checkbox"/> Silverware Floater |
| <input type="checkbox"/> Deferred Payment Merchandise | <input type="checkbox"/> Livestock Floater | <input type="checkbox"/> Pattern Floater | <input type="checkbox"/> Sports Equipment Floater |
| <input type="checkbox"/> Department Store Floater | <input type="checkbox"/> Lodge Paraphernalia Floater | <input type="checkbox"/> Personal Effects (Tourist Floater) | <input type="checkbox"/> Stamp and Coin Collections |
| <input type="checkbox"/> Exhibition Floater | <input type="checkbox"/> Mechanics' Tools and Equipment | <input type="checkbox"/> Personal Property Floater | <input type="checkbox"/> Surveyors' Equipment Floater |
| <input type="checkbox"/> Fine Arts: All Risks | <input type="checkbox"/> Miscellaneous Property Floaters | <input type="checkbox"/> Physicians, Surgeons and Dentists' Instruments | <input type="checkbox"/> Theatrical Floater |
| <input type="checkbox"/> Fishing Equipment Floater | <input type="checkbox"/> Mobile Agricultural Machinery and Equipment | <input type="checkbox"/> Processing Risks | <input type="checkbox"/> Transportation Floater |
| <input type="checkbox"/> Fur Floater | <input type="checkbox"/> Morticians' Floater | <input type="checkbox"/> Radium | <input type="checkbox"/> Trip Transit |
| <input type="checkbox"/> Furriers' Customers Insurance | <input type="checkbox"/> Motor Vehicle Cargo | | <input type="checkbox"/> Vending Machine Floater |
| <input type="checkbox"/> Garment Contractors' Floater | <input type="checkbox"/> Musical Instruments | | <input type="checkbox"/> Voting Machine Floater |
| | | | <input type="checkbox"/> Wedding Presents |
| | | | <input type="checkbox"/> Wool Growers' Floater |

Inland Marine & Special Lines Department

NORTH BRITISH AND MERCANTILE INSURANCE COMPANY LIMITED

THE PENNSYLVANIA FIRE INSURANCE COMPANY

THE COMMONWEALTH INSURANCE COMPANY OF NEW YORK

THE MERCANTILE INSURANCE COMPANY OF AMERICA

THE HOMELAND INSURANCE COMPANY OF AMERICA

150 WILLIAM STREET, NEW YORK 7, N. Y.

Philadelphia
Detroit

Atlanta
Chicago

Boston
San Francisco

Insurers, Bureaus Study New ML Rating Plan

**Offers Term Discounts,
Credits, But No Debits,
on 2 or More Units**

NEW YORK—Insurers interested in multiple location risk business are examining closely the plan for rating such risks that has been or is being filed by America Fore and some of the other companies opposed to the credit-debit plan of the Multiple Location Service Office.

In states where there is a multiple location rating plan in effect, the plan is being filed as a deviation; elsewhere as an independent proposal.

Among the chief points of difference between the new plan and the Escott or M.L.S.O. plan are that the new plan for the first time the standard term credits are permitted under forms 1 and 5, 2½ annuals for three years or four for five; it provides credits only, no debits, as in the Escott plan; it applies to two or more locations, and is not limited to five or more, as under the Escott plan, and 90% or 100% coinsurance is permitted under form 5, as compared with 100% only under the Escott plan.

Insured Could Hold Rate

Allowance of the term discount, insurers say, gives the new plan a strong competitive feature, especially under No. 5, which is a non-reporting cover. Insured could freeze the rate for as long as five years, if that were desirable, or cancel prorata and rewrite if there were improvements or other conditions that called for a better rate.

Since this type of business develops many premiums of substantial size, the term discount would make attractive the use of an installment plan.

The new plan offers a combination of percentage and dollar credits, the percentages running from 5% on premiums of more than \$1,000 to 15% on amounts beyond \$70,000. There are other credits for number of locations and the factor of liability at one location. Only National Board class loss experience is reflected in the rating, no credit for individual risk loss experience. This has been the key difference in the two approaches to rating this business.

Competes with Form A

The writing of the plan on two, rather than five, or more locations, makes it competitive on business written on form A, covering two to five locations, since A must be written at tariff rates for specified locations. The new plan offers proportionate credits from two up.

The new plan reflects the major arguments of companies opposed to the credit-debit have been making since the issue was joined in New York. The launching of a plan of their own, incidentally, carries out one of the points made several times by counsel for the New York department, that companies not desiring to use the approved credit-debit plan could devise their own method of writing the business and submit it. This has now been done.

Bureaus May Call for Hearings

Multiple Location Service Office has notified rating bureaus that they should ask for a hearing in connection with the new filing, to protect the interests of

(CONTINUED ON PAGE 16)

Ohio Auto Dealers Woo Legislators

COLUMBUS—A multiple line bill was introduced in the Ohio house Monday, which was the deadline for introduction of house bills. Opinion within the ranks of insurance is sharply divided on this measure. A similar bill was defeated two years ago.

The automobile dealers are backing an amendment to the so-called controlled business bill that would permit the licensing of auto dealers as insurance agents. This would remove from the definition of controlled business, insurance for which the agent or his employer is "agent or vendor." Presently, if the agent would be getting 50% or more of his business from property for which he or his employer is an agent or vendor, he would not be entitled to a license, or if he had a license he would be denied renewal of it.

G. M. Entertains Solons

Ohio Assn. of Insurance Agents in its bulletin refers to this bill and said, "Event of the week was the big entertainment and banquet—possibly 600 guests—sponsored by the G. M. dealers as 'Independent Insurance Agents of Ohio' . . . and the G. M. attack on the vendor and agent definition of controlled business. . . . Every legislator was assigned to some home-town auto dealer at the cocktail party, dinner and in private suite conferences, according to the meeting notices sent to dealers. Chrysler and Ford dealers are being urged to join. Real estate brokers and bankers are being importuned to be cat-paws for the G. M. attack."

The Ohio association has given approval to the objectives of the bill for a security-type financial responsibility law, to the bill putting reciprocals under the same regulation as other insurers including agency license requirements, a fair trade practice bill and a bill amending the valued policy law so as to bar use of deductibles, coinsurance or other provisions that could reduce payment below the amount named in the face of the policy.

The bill regulating reciprocals would require such exchanges to issue assessable policies only.

There is a bill to provide for the licensing without examination of railroad ticket agents to sell the special travel accident policies. They would get a limited license whereas ticket agents now that qualify get a full license and can write any kind of insurance. There is a bill for compulsory liability insurance for taxicabs.

Louisville F. & M. Makes Big Gains in Liquidity

Louisville Fire & Marine in its new statement reports assets of \$2,363,931 and surplus to policyholders of \$1,196,611, which is an increase of \$21,657. The liquid position has been impressively strengthened. For instance, the cash amounts to \$441,049 as compared with \$354,271, government bonds total \$511,517 against \$278,916. Cash and government bonds just about matched the premium and loss reserves.

Louisville Fire & Marine accomplished greater diversification of assets. It reduced its holdings of corporate stocks by more than \$315,000 and kept the funds in cash or in government bonds.

Net premiums written were \$1,391,740, earned premiums were \$1,327,464. The gross agency production volume was \$4,554,524 which was the largest in history. The storm losses had an important effect on the record and there was a net underwriting loss of 5.67% on an incurred to written basis.

Atomic Test Damage Issue Is Evaporating

R. L. Gresham, independent adjuster of Las Vegas, Nev., has furnished THE NATIONAL UNDERWRITER with observations based on first hand experience on the question of insurance in connection with damage to private property done by the testing of atomic missiles in Nevada.

"The recent atomic explosions as recently conducted by the Atomic Energy Commission, near Las Vegas, Nev., have been the subject of much news and discussions," Mr. Gresham writes. "One of many questions arising concerning the explosions is whether or not damage resulting to private property is covered under any of the standard forms of insurance coverages. Our office, as local insurance adjusters, has received numerous inquiries in the latter regard. Naturally we can only express our personal opinions and can only repeat reports and comments received. We are not authorized in any manner to speak for the insurance companies or to commit them or their agents as to the interpretation of coverages that might apply to such damage."

"However, in view of the inquiries received and the interest aroused by the subject, we thought it might be timely and of some interest to you and for your publication, to receive the following comments and information."

Comparable to Lightning

"The Atomic Energy Commission selected as a testing area for atomic missiles, a location approximately 160 miles northwest of Las Vegas. This testing ground is located in an isolated and arid portion of the desert. The first explosion occurred on Jan. 27, followed by subsequent explosions on Jan. 28, Feb. 1, 2 and 6, 1951. All explosions occurred at approximately 6 a.m. Each explosion was felt in Las Vegas and first indicated by the entire sky being lighted and then, because of the distance involved, was followed about five minutes later by a loud noise and concussion. The concussion caused a tremor or quake of a comparatively minor nature and perhaps comparable to a very mild earthquake. The concussion was of sufficient volume to cause windows and doors to shake, but appeared to be of insufficient strength to create any damage. The sound of the explosion might be compared to a severe case of lightning striking nearby."

"It is reported that the explosions took place in the air at a high altitude."

Exaggeration Is Reported

"The claims and reports of damage to property have been very greatly exaggerated. In checking with the other two adjusting firms in this area we find that their experience is the same as ours, namely that from five to six claims have been reported to each office of damage allegedly the result of the atomic explosion. In each instance the damage complained of consists largely of cracked plaster or breakage of windows. In each instance it is difficult to determine as to the cracked plaster whether it is of recent or old origin. As to the breakage of windows, such cases were large plate windows and it is impossible to determine whether the atomic explosions caused or merely contributed to the breakage. It is the common opinion of local agents and adjusters that very little damage actually and directly resulted. This also appears to be the general attitude of the public."

"We have been instructed by interested insurance companies, and company adjusters and by the Pacific Coast insurance loss committee, to merely in-

(CONTINUED ON PAGE 16)

State Made Fire Rates Provided in Proposed Fla. Code

**Startling Features
Are Found in
323 Page Measure**

Copies of the proposed Florida insurance code reached various insurance centers last week and those responsible for legislative matters soon commenced jumping out of their skin as they discovered numerous startling features in this publication which runs 323 pages.

There are radical changes involved and these came completely without advance notice. The committee has been working pretty largely in camera, calling in various members of the Florida insurance department individually from time to time and it is understood having made an investigation in Texas in a quiet way. The committee apparently made up its own mind as it went along as to what it wanted to propose and included numerous features of a provocative nature without letting word get out that this was being done.

State Would Make Rates

Unusual interest attaches to the proposal for the fire insurance rates to be made by the state itself with the insurers being assessed to pay the cost of administration. This part of the bill represents an adaptation of the automobile rating law of Texas made applicable instead to fire insurance.

There is a suggested bill for what is called Florida policyholders protective fund. This would be created from assessments on every company and would be used for the protection of policyholders and claimants of insolvent insurers. It apparently would be a composite fund embracing life, fire, casualty and all types of insurance.

There is one provision that would prohibit any type of deferred premium payment plan.

There are some very heavy deposit requirements ranging up to \$500,000 for casualty, \$500,000 for fire, and on top of that, \$100,000 for surety. These apparently would have to be kept in Florida, but would be for the benefit of policyholders.

Resembles Kentucky Code

In general outline, the proposed code resembles the Kentucky code that was enacted in 1950 but there are numerous individual features that are not found in Kentucky.

Company organizations are working under pressure to complete an analysis of the code so that criticisms can be formulated and preparations made for appearances at the public hearings shortly to be held. The first such is to be at St. Augustine Feb. 22. Then there will be one at Orlando the next day, Tampa, Feb. 24, Miami, March 1-2, and Tallahassee, March 3.

The code would set up a statutory assigned risk plan. This is not limited to auto or workmen's compensation but apparently would cover any line where deemed necessary.

New FR Bill in N. C.

A complete new automobile financial responsibility bill has been introduced in North Carolina.

Detroit Agents Elect Chalmers

Detroit Assn. of Insurance Agents at the annual meeting elected Bruce Chalmers as president to succeed Charles L. Platts. Nearly 300 agents and company men attended the cocktail



C. L. Platts



Bruce Chalmers

hour and banquet following the business meeting.

Irving W. Blumberg is the new vice-president, and J. Alfred Grow, Jr., was elected treasurer.

The talk at the banquet was given by

Rev. Laurence Hall of Portsmouth, O. Among the guests were Commissioner David A. Forbes of Michigan, and Harry L. Grider, midwest manager of Factory Assn.

In his report Mr. Platts called attention to the association's expansion during the year and mentioned that the association has new headquarters offices which are "second to none in the country."

Mr. Chalmers is president of the Chalmers agency. He graduated from the University of Michigan and has been in insurance 19 years.

Mr. Blumberg has been in the business 26 years and is associated with his brother in the Blumberg Bros. Co.

Mr. Grow started with Homer Warren & Co. in 1936, and served in the navy during the war.

St. Augustine Arrangements

Transportation arrangements have been made for the annual meeting of Western Underwriters Assn. at Ponce de Leon hotel at St. Augustine, Fla., April 10-12. The Chicago contingent is leaving on C.&E.I. railroad the morning of April 6, arriving in St. Augustine about noon the next day. Returning the group leaves at 6:41 p. m., April 12.

Additional E. C. May Face Legal Obstacle in Ohio

COLUMBUS — The fact that the Ohio department would not approve the all risk dwelling endorsement of Central Manufacturers Mutual until an exclusion of damage from explosion of steam boilers and flywheels was added has made insurance men in the state wonder as to whether the proposed additional extended coverage endorsement for risks in the dwelling class will be approved in its present state. This contract includes among the additional perils assumed, rupture or bursting of steam or hot water heating systems. The form was approved by Insurance Executives Assn. recently and has gone to the regional bodies for consideration and filing. It has been assumed that it will be filed in Ohio and other middle western states very soon.

The action of the Ohio department in Central Manufacturers case was based on Sec. 9556 of the Ohio code, which permits fire insurance companies to write explosion insurance, except explosion of steam boilers. Central Manufacturers sought to use the all-risk dwelling endorsement drawn up by Transportation Insurance Rating Bureau and approved in New York, but was informed that, under Ohio law, approval could be obtained only if the steam boiler and flywheel hazard were excluded, which was done.

May Change Attitudes

If this ruling should hold in case of the additional extended coverage endorsement, it is questionable whether Ohio Inspection Bureau would feel like filing a special endorsement for that state, with no coverage on steam boiler explosion. This would disrupt the national uniformity which it was hoped the new endorsement would achieve. This situation might have a material effect on the attitude of various insurance organizations toward the proposed multiple line law in Ohio and conceivably might swing some of the opponents over to backing it.

On the other hand, it has been pointed out that, while multiple line legislation would enable fire insurance companies to write this coverage, they would still have to qualify as casualty companies under a strict interpretation of the law. This would mean meeting the additional requirements as to surplus or combined capital and surplus for casualty companies. Other observers expect an attempt will be made to amend Sec. 9556 to permit fire insurance companies to write this feature, although no bill along these lines has been introduced up to now.

New Ohio Marine Supervisor

Stanley Craidon has joined Fire Association as Ohio marine supervisor with headquarters at Cleveland.

He started in the marine loss department of Osborn & Lange at Chicago and after 10 years there became a marine underwriter and later marine special agent for National Union. More recently he has been with Boston as marine state agent.

Five New Assistant Secretaries Named by Great American

Walter E. Beeson, F. Wickham Mallalieu, Jr., and Eugene G. Dunn, of New York, and Miles C. Formo and Leonard A. Bishop of the western department, have been appointed assistant secretaries of Great American, American Alliance, Rochester American and American National Fire.

Mr. Beeson attended the University of Texas and Columbia University. He joined Great American in 1929. After training in the underwriting departments at the home office, he became special agent in Texas and later in Maryland and Virginia. In 1946 he returned to the home office as agency superintendent in charge of the south-east department. He will continue to supervise the business of the fire companies in these states.

Mr. Mallalieu attended New York University and in 1929 joined Schedule Rating Office in Newark. He started with Great American in 1939 and has served as special agent in New Jersey and west Texas. He went to the home office in 1948 as superintendent of the brokerage department. More recently he has supervised operations in the middle department.

Mr. Dunn began his insurance career with Employers Fire in 1932 after graduation from Boston University. He served in the brokerage and special risks departments, and later covered Maine, New Hampshire and Vermont as special agent for Hanover Fire. He went with Great American in 1946 as New Hampshire and Vermont special agent and moved to the home office in 1950 to become agency superintendent in charge of the New York and New England department.

Mr. Formo is a graduate of North Dakota College. After two years with the Department of Agriculture he entered insurance as a local agent. He joined Great American in 1938, first as field man and adjuster for the farm and hail departments and later doing regular special agency work in Minnesota. In 1944 he joined the navy, returning to Great American in 1946 as assistant manager of the farm and hail departments of the western department.

Mr. Bishop joined the Great American in 1930 as a clerk in the home office accounting department. He served as accountant at Pittsburgh and San Francisco and upon his release from the army in 1946 was transferred to the western department. He has been chief accountant there for four years.

Mass. Commissioner

Dennis E. Sullivan, recently appointed Massachusetts commissioner of insurance, has a long and varied legal background.

After graduating from Dartmouth College in 1919 and Harvard law school in 1922, he joined the law firm of his uncle, Judge Michael H. Sullivan. After several years he was appointed general counsel for the Whiting Milk Co., Boston.

While in that capacity, he successfully sponsored the present milk control board.

A Boston newspaper in a by-lined article stated that the appointment was made with the idea of placing on the job a commissioner without even a remote connection with the insurance business in the belief that, unfettered by previous connections, he could function without prejudice.

Do Business

WITH A PROGRESSIVE AND EXPANDING FIRM



The Southern Fire and Casualty Company is an expanding organization. Its sound and progressive policies attract additional agency connections who are building their future on service and protection for the insuring public.

Now operating in the following states:

- Arkansas
- Kentucky
- Texas
- Alabama
- Louisiana
- Tennessee
- Georgia
- South Carolina
- Virginia

Southern Fire & Casualty Co.

KNOXVILLE, TENNESSEE



Their JOB is to PROTECT!

THE HELICOPTER — the most modern and sensational means of rescue, especially from inaccessible places where neither men, nor boats, nor planes can reach. Used by the Coast Guard, Forest Service, Army, and other Government protective units.

The Northern Assurance has provided reliable Insurance Protection for over 114 years.



THE NORTHERN ASSURANCE CO. Ltd.

FIRE AND ALLIED LINES, AUTOMOBILE-INLAND MARINE-REPORTING FORM-FLOATER CONTRACTS
NEW YORK • CHICAGO • SAN FRANCISCO

Reinsurers May Pay More Than Half of Big Wind Loss

Estimated Total Still \$150 Million on 600,000 to 1 Million Losses

NEW YORK—It is becoming apparent that reinsurers will pay more than half of the bill for the Nov. 25 windstorm in the northeast. The estimate on that storm still is \$150 million on 600,000 to 1,000,000 losses. At least 25 stock fire insurers have gone through their retained liability, through their catastrophe reinsurance and back into direct liability again. One or two that purchased catastrophe cover in that way, though it is not the general practice to do so, have gone through two layers of catastrophe cover.

The big windstorm is emerging as a unique insurance experience. It put to practical test for the first time the entire structure. It put to the test of experience theories that have guided those who buy reinsurance and those who sell it. They are now giving those theories the closest scrutiny. Even reinsurers called on their catastrophe reinsurers heavily.

Many Were Under-reinsured

Direct writers have substantially adjusted their ideas of how big a wind catastrophe can be. Many insurers, particularly smaller mutuals, were under-reinsured. The pattern is not unusual of companies that retained \$25,000 or \$50,000, carried \$150,000 reinsurance, and took a gross loss in the storm of \$300,000. At the other end of the scale, one large company had enough reinsurance to pay about 8% of its losses; another had no wind reinsurance.

The catastrophe reinsurers in proportion to their numbers are absorbing the largest share of the windstorm loss. Literally hundreds of companies hit the catastrophe cover. Two of the markets, London Lloyds and Excess Management, may take more than \$60 million of the total, when all figures are in, with London shouldering somewhat more than two-thirds of that figure. Professional reinsurers not writing catastrophe will pay out substantially, one more than in any previous single loss.

Sliding Scale Slides

Because of the sliding scale contract, however, the surplus reinsurance writers do not face quite the same problem of negotiating new contracts. Many direct writers had enough credits under that kind of arrangement to offset the debit for the windstorm. The sliding scale itself is expected to adjust satisfactorily in most cases.

The catastrophe writers, however, face a more difficult problem. Over how long a period can they or should they spread the loss? Contracts for negotiation since year end are being held open till all the figures are in, probably not before June, when the rate will be finally determined. In many cases direct writers have agreed to pay the rate determined at that time by the reinsurer up to that time, in case the rate is not satisfactory to insurer.

Should the reinsurer's program for getting back its money be set over a six year span, or some other period? The plan has to be orderly and accomplish the purpose of recapturing the loss and still not make the call on the direct writer too rapid. There have been hurricanes along the eastern, heavily populated seaboard in 1938, 1944 and 1950, a six-year incidence. But of course the

incidence is unpredictable. On the part of one or two reinsurers there seems a disposition to get the money back faster than a six-year spread. In addition to increased rates, catastrophe reinsurers would like a larger basic retention by direct writers.

The question naturally arises, why did reinsurers get so much of the Nov. 25 windstorm loss. One explained it by saying that the catastrophe reinsurer gets so small a percentage of the premiums and writes so large an amount of liability that when a real catastrophe

comes along, it gets slammed hard. Many insurers have given their reinsurers a profit for 10 years; the big windstorm more than wiped it out.

The reinsurer must increase rates to get back his loss from the Nov. 25 storm. But how much more does he need to protect himself if a storm of similar scope and intensity happens again? All insurers are talking about the big increase in extended coverage since the storm. This increased liability is of real concern to reinsurers. So is the present inflation. To illustrate

the effect of inflation one reinsurer worked out some figures to show that the 1947 Florida hurricane cost him twice what the same storm would have cost 10 years earlier. Television aerials by the million have a real bearing on the problem. The war may have postponed for several years replacement of outside aerials by aerials built into TV sets. Many underwriters expected this to happen, as it did when radio got under way.

Reinsurers of course would like to (CONTINUED ON PAGE 30)

PROTECTED Automatically BY ADT AGAINST FIRE, BURGLARY AND OTHER HAZARDS

One of the leaders in its field, the Virginia-Carolina Chemical Corporation is typical of the hundreds of nationally known organizations employing ADT Central Station Services to protect property automatically.

This modern building in Richmond, Virginia, housing the general offices, is safeguarded by ADT Aero Automatic Fire Alarm, Burglar Alarm and Air Duct Fire Control Services. Ten of the Company's plants throughout the U.S. are protected by various types of ADT Automatic Protection Services.

Let us tell you how these services can be applied to provide better protection at lower cost. Write for illustrated booklets.

AMERICAN DISTRICT TELEGRAPH CO.
155 SIXTH AVENUE NEW YORK 13, N. Y.
Central Stations in All Principal Cities

ADT

A NATION-WIDE ORGANIZATION

Auto Claims Men Discuss Policies' Fringe Cover

A discussion on fringe coverage under auto physical damage insurance took place at the luncheon meeting of Automobile Claims Assn. at New York.

Would a gold ignition key be covered against theft was one question. The consensus was it would be covered though some debate arose as to whether such a key constitutes standard equipment. One member voiced the belief that ignition keys whether gold or brass would come under equipment normally attached to an auto.

Would comprehensive or collision coverage apply to damage to a car's interior caused by strips of lumber pro-

truding from the car colliding with a pole? It was generally agreed that this would be a collision claim.

A case involving an act of suicide was recounted by one member. Assured, while driving with his estranged wife, shot himself, causing the car to swerve and collide with an embankment. The wife claimed a collision loss of \$900.

Later, it developed that the address given in the policy was incorrect, which produced a lower rate and there was an undisclosed mortgage. Most members agreed that recovery would be disallowed by the deliberate act of wrecking the auto as well as the two defects in the policy declarations.

Pat Matlock has joined his father in the Lester Matlock agency at Wichita.

Executive Responsibility Is Realigned



C. G. TACHAU

Under a new alignment of executive responsibility at Louisville Fire & Marine, President C. G. Tachau will confine his attention to supervising finance and reinsurance. Supervision of all other operations is being turned over to Ex-



LESLIE MILLER

ecutive Vice-president Leslie Miller. The latter joined Louisville F. & M. last August, formerly having been vice-president and eastern manager at New York City for General of Seattle for a number of years.

**BRANCH OFFICES IN
PRINCIPAL CITIES**

FIELD SERVICE NATIONWIDE

**INLAND, OCEAN MARINE, YACHT,
AND AIR CARGO LINES**

Appleton & Cox, Inc.

111 John Street New York 38, New York

John H. Carney Added to Midwest Bill at Memphis

John H. Carney of Eau Claire, Wis., a member of the N.A.I.A. executive committee, has been added to the panel entitled "The Green Will Grow—the Ripe Will Rot" at the Memphis Midwest Territorial Conference March 12-13, to discuss the theory of insurance renewing by certificates. This is the panel to be conducted by Kenneth Ross of Arkansas City, national director of Kansas Assn. of Insurance Agents. Other members of the panel are R. W. Worgess of Battle Creek, on "Employee Relationship"; H. J. Gescheidler of Hammond, Ind., on "Installment Premiums," and Hank Moran of Oklahoma City on "Collections."

Mr. Carey's appearance is linked to the fact that J. C. Sullivan of Risk Research Institute, has called attention of N.A.I.A. that his organization is sponsoring a proposal for increased use of renewal certificates and is soliciting agency support. A resolution will be considered by the midwest group memorializing N.A.I.A. to do everything possible to accelerate the use of labor and time-saving methods of procedure for agency use.

Fete Home Champions

Home's basketball five, winners of the Industrial Recreation Federation League, was honored at a dinner at New York Athletic Club following its twelfth consecutive league victory over Yorkshire.

Guest speakers were Rabbit Maranville, ex-major league baseball star, who spoke on the value of athletics to the American way of life, and Tommy Loughran, former light heavyweight champion of the world. Also present at the dinner were Kenneth E. Black, vice-president and assistant to the president of Home, and Henry B. Reinhardt, treasurer.

The Home team will now participate in the city conference play-offs which begin Feb. 19.

Rowse Marks 50th Year

Roscoe Rowse, vice-president of the Wanamaker agency at Topeka, Kan., has celebrated his 50th anniversary in the business at Topeka. He has been continuously associated with the agency and its predecessors. Two sons of Mr. Rowse are with Western Adjustment. Walter is manager at Wichita and Charles is manager at Hutchinson.

Great American Group Premiums Up \$6½ Million

Premium writings of the Great American group last year attained a new high level and the increase over the preceding year was \$6,543,607. Of this amount the fire companies produced \$5,175,760 and Great American Indemnity \$1,367,847.

There was a trade profit of \$9,233,903 from underwriting and a statutory underwriting gain of \$936,001, after an increase of \$8,293,402 in premium reserve.

For Great American Ins. Co. the net premiums written were \$48,199,124, losses and loss expenses incurred \$21,568,078, underwriting expenses incurred excluding federal incomes taxes, \$19,798,880.

For Great American Indemnity, net premiums written were \$28,326,295, losses and loss expense incurred \$16,564,940, underwriting expenses incurred \$11,238,429.

Assets of Great American Ins. Co. were \$115,849,582, capital \$10 million and net surplus \$44,358,661.

Merl Young and Insurance

WASHINGTON—E. Merl Young, who was named by the Senate banking committee as an "insurance entrepreneur" having White House connections and influence with Reconstruction Finance Corp., has declined to comment on charges that he traded in influence with RFC for large fees, but took issue with the committee's calculations concerning his financial affairs.

He said that last year his income was only about \$20,000, and not \$60,000, as indicated in the committee's report. Committee sources replied that Young's own estimate of his 1950 income, as indicated in tax reports made by him, had been taken.

The committee said Young's insurance business is financed by the Washington law firm of Goodwin, Rosenbaum, Meacham & Bailen, whose second member the committee reported very influential with RFC on loan matters, and by officials of F. L. Jacobs Co., at Detroit of which latter the committee said Young is a \$10,000 a year officer.

The committee report declares that at present "Merl Young and his friends say that he is an entrepreneur in the insurance business."

Lutheran Mutual Fire of Madison, Wis., has acquired a residential property which will be remodeled for home office use. It is expected to become available within two months.

**NEW
BUSINESS
INTERRUPTION
SALE...**

You'll like the

**NEW YORK UNDERWRITERS
INSURANCE COMPANY**

90 JOHN STREET, NEW YORK 7, N. Y.

Since 1864

FIRE • AUTOMOBILE • INLAND MARINE

III. F Inclu Man

Directo
a depart
automob
of his
ment pu
been un
with the
At the
approval
vehicle f
viding fo
tions, fu
the new

Illinois
fleet def
of the f
for fleet
owned b
Mr. D
motor v
sured, o
agement
ness pur
sidered
only if
insured
lowsing t

Three T

(a) V
named i
tents an

(b) V
more co
corporat
of each

(c) V
entity h
and con
the busi
this righ
denied
written
vidual o
hicles ex
controlli
the rule
of such
form rul
the con
the con
a matter
ty stan
tion."

The f
head be
Grey Va
hound M
Underw
managem
the true

Definition

The I
insuranc
vehicle
vehicles
under o
principa
of the c
been fil
"five o
ownersh
ing may
that the
on moto
common
in situa
not unc
fact, un
The 19
ing on
panies
only me
ownersh
fleet po
this is
adding
statute
divide
In his
motor
ownersh
fleet co
be avail
At th
the pos
single c

III. Fleet Definition Includes Common Management Clause

Director Day of Illinois has revoked a departmental ruling of 1940 defining automobile fleets and substituted one of his own including common management provisions. The definition has been under consideration in hearings with the companies since November. At the same time he has ordered disapproval effective April 1 of all motor vehicle fleet policy rate filings not providing for common management situations, future filings to be made using the new rule as a guide.

Illinois is one of three states having fleet definition in its law, and is one of the few states that allows provision for fleet ratings if vehicles are not owned by the insured.

Mr. Day's definition is: "Five or more motor vehicles all owned by one insured, or all under one general management and used principally for business purposes. Vehicles shall be considered under one general management only if not owned by employees of the insured and if one or more of the following tests are met:

Three Tests Provided

(a) Vehicles rented or leased by the named insured and operated for all intents and purposes as owned vehicles.

(b) Vehicles belonging to two or more corporations where one of such corporations has effective voting control of each of the others.

(c) Vehicles as to which a single legal entity has the exclusive right, actively and continuously exercised, to direct the business use of all such vehicles, this right and its exercise to be evidenced by "... substantially uniform written contracts whereunder the individual owners agree to devote their vehicles exclusively to the business of the controlling legal entity, complying with the rules, regulations and instructions of such legal entity, and there are uniform rules and regulations enforced by the controlling legal entity for which the controlling entity is responsible as a matter of law, with emphasis on safety standards, maintenance and operation."

The fleet question was brought to a head because of a difference between GreyVan Lines, an affiliate of Greyhound Lines, and National Automobile Underwriters Assn. GreyVan is a management concern and does not own the trucks under its control.

Definition in Illinois Code

The Illinois code defines fleet as "an insurance risk, under any form of motor vehicle insurance, of five or more motor vehicles all owned by one insured or all under one general management and used principally for business purposes." Most of the companies and associations have been filing definitions along the lines of "five or more automobiles, under one ownership, and under one direct operating management." GreyVan contended that the practice of granting fleet rates on motor vehicles only where there was common ownership was discriminatory in situations where the automobiles are not under one ownership but are, in fact, under one general management. The 1940 department bulletin and ruling on fleets stated in part that "companies will, therefore, understand that only motor vehicles under one common ownership ... may be insured under fleet policies." Director Day said that this is not the meaning of the statute, adding that the permissive nature of a statute does not imply the right to divide or to select among its clauses. In his order he says that "whether motor vehicles are under one common ownership or one general management, fleet coverage, if available at all, must be available for both."

At the hearings, the companies took the position that a change from the single ownership rule would destroy the

uniformity now in effect throughout most states and present problems in statistical record keeping and administration; and would open the door to fictitious fleets. Also, it was argued, the new rule would be difficult to apply because of ambiguous and vague phrases which would necessitate legal interpretations and active policing methods.

Melin Now Chief Examiner of Minnesota Department

Julius Melin has been appointed chief examiner of the Minnesota department succeeding Albert Burger, who resigned to become vice-president of Bankers L. & C. of Chicago.

Mr. Melin started with the department as an examiner in 1907 and two years later was made chief examiner, continuing in that capacity until 1917 when he took over management of an insurance company at Winnipeg.

Returning to the department in 1922 he served as deputy commissioner, resigned a year or two later to become vice-president of Modern Life, returned to the department a third time in 1925 and has remained there since as an examiner.

Breen President, Harding V.-P. of Standard, N. J.

F. Glenn Breen has been elected president of Standard Fire of Trenton to succeed George W. Arnett. Mr. Breen has been vice-president, and he is succeeded in that position by John T. Harding, who advances from 2nd vice-president.

Mr. Breen was graduated from the University of Chicago in 1935 and joined Firemen's of Newark at the home office. He was named state agent in 1938 in eastern Pennsylvania and traveled that field until he joined Standard in 1942, the following year being elected vice-president and manager and a director. Mr. Breen is also a director of Western Insurance Bureau.

Mr. Harding joined Standard in 1943 after having been with Millers National in the home office and field in the middle west. He was active in the Illinois field, having served as most loyal gander of Illinois Blue Goose.

Standard in 1950 set new records as

to premiums, and the assets are now \$5,403,985.

Big Minn. Manufacturing Loss with Factory Mutuals

ST. PAUL—The Factory Mutuals are reported to have carried practically the entire line on the Minnesota Mining & Manufacturing Co. fire and explosion loss which has been estimated as high as a million dollars, but is not yet fully determined. The account was serviced by Johnson & Higgins.

In addition to the fire and explosion, there will be a heavy compensation loss as 11 men were killed and about 60 injured. The business interruption loss will not be heavy as the large plant was back in operation within three days. The greatest damage was confined to a single building, which, however, was pretty badly wrecked.

The explosion has been definitely laid to a leaky butane gas line.

Minnesota Mining & Manufacturing is the largest producer of abrasives in the country.

Herbert E. Marshall, local agent at Wichita for some years but in a commercial business recently, has purchased the Thompson & Son agency there.



LOOKING FOR A MARKET

WHY NOT TRY

OUR OFFICE NEAR YOU

SAVE THAT ACCOUNT

DON'T LOSE COMMISSION

SPECIALISTS in placing UNUSUAL RISKS

Taxi Cabs
Livery Cars
Rental Cars
Rental Trucks
Rental Trailers
Motor-Scooters
Motor-Bikes
Motorcycles
Local Trucks
Long Haul Trucks
Butane Haulers
Propane Haulers
Gasoline Haulers
Financial Responsibility

Workmen's Compensation
Dram Shop Liability
Comprehensive Liability
General Liability
O.L.T. Liability
Amusement Park Liability
Carnival Liability
Fair Liability
Sporting Event Liability
Air Show Liability
Auto Races Liability
Outdoor Show Liability
Beauty Shop Liability

KURT HITKE & COMPANY, INC.

General INSURANCE Agents

175 W. Jackson Boulevard
CHICAGO 4, ILL.
TELEPHONE WABash 2-3622

57 Forsyth Street
ATLANTA, GEORGIA
Phone Alpine 3418

Reisch Building
SPRINGFIELD, ILLINOIS
Phone Springfield 8-4305

1671 Wilshire Boulevard
LOS ANGELES 17, CALIF.
Phone Dunkirk 8-3161

1926

our 25th year

1951

STATE FUND WIPED OUT

Stock Companies Stand Library Loss In Michigan Arson

LANSING—The incendiary fire which virtually destroyed the main state office building here last week with an actual property loss estimated at \$4½ million, has wiped out the Michigan state fire fund which has a current balance of approximately \$1½ million.

The blaze was deliberately set by a 19-year old highway department employee, who told state police he had hoped thereby to escape the draft. The arsonist, Richard Shay, explained that he set fire to papers in the microfilm division, anticipating a minor loss and a probationary sentence which would exclude him from army service. When the blaze got out of hand, he said he spent a considerable time praying that there would be no loss of life.

Library Insured by Mich. Agents

The state library, located in a portion of the wrecked building, was insured in private companies for a total of \$2 million. The insurance was placed through Michigan Assn. of Insurance Agents following the disastrous Haven Hall fire last summer at the University of Michigan, another incendiary loss. Waldo O. Hildebrand, association secretary-manager, who helped arrange the library coverage, said the association actually paid the premium of \$3,011 in the belief that the legislature would appropriate a reimbursing sum at this session. Private insurance was made

possible because of a 1945 amendment to the original fire fund law which permitted exceptions to the all-inclusive state program if private coverage was authorized by a special board consisting of the auditor general, state treasurer and the insurance commissioner who were empowered to review cases in which excessively high and concentrated values or exceptional hazards existed.

Total loss from the fire, including files, records, maps and plans of many state departments, may run as high as \$8 million.

The fire started unspectacularly during the lunch hour Thursday and was not extinguished completely until Saturday night. It made its way quickly into the mezzanine floor between the sixth and seventh floors at the top of the stone and concrete building. This area was crammed with records of all departments, most of them in open steel cabinets, each department being allotted a "room" divided only by heavy wire netting. The flames swept throughout the entire length of the floor. There was only one door giving access to this section and the firemen could work effectively only from aerial ladders.

Insurance Records Intact

The insurance department had offices on the fifth floor, and these were seriously damaged by water, but an early inspection indicates that the corporate records vault and central filing system are virtually intact. The executive offices, however, are a shambles, with heavy ice coatings on the desks, chairs, typewriters and other fixtures. Negotiations for temporary quarters are under way and there is a possibility the department may move into the fourth floor of the new Auto-Owners building

now being completed less than a block from the state office building.

The Michigan house while the fire was still burning adopted a resolution designating a committee to investigate causes of the fire and check on protective facilities for other state structures. It was brought out that an elaborate set of recommendations for protecting many buildings, and specifically advising remedies for hazards in the state office building, have been virtually ignored since 1945. One small appropriation was made but never entirely spent, and the recommendations were never carried out in their most important particulars.

Regional Meeting Series in So. Cal. Completed

The series of regional meetings of California Assn. of Insurance Agents was concluded at Santa Barbara. Other meetings were at Long Beach, Laguna Beach, Beverly Hills, Burbank, San Diego, Imperial Valley, San Bernardino, Pasadena and Los Angeles.

Robert Battles, vice-president of the state association, was the principal speaker. Executive Secretary John Williams also represented the state organization.

Mr. Battles stressed legislative matters and the war damage situation. Among the measures outlined were the series of anti-coercion bills, licensing bills, dividends under anti-discriminatory laws and the department's fiduciary bills.

He said the association is not in favor of the new E.C. plan as promulgated.

Farrer on Minn. Program

MINNEAPOLIS — Richard E. Farrer, director of education of National Fire, is an added speaker for the mid-year meeting of Minnesota Assn. of Insurance Agents here April 10-11.

He will appear at a breakfast meeting the second day sponsored by the farm and small town agents' committee. This part of the program is based on the "building agency prestige" course of N.A.I.A.

J. S. Lamont, resident adjuster of Western Adjustment at Grand Forks, N. D., spoke at Newfolden, Minn., as a part of the public relations program in that area. The National Board film, "These Are the Facts," was shown.

PLEADS FOR WINTERIZING OF E. C.

Warner Wells, prominent local agent of Greenwood, Miss., has become sensitive to this raw winter in a professional way, and enters the following plea for what might be termed "winterizing" extended coverage:

"Many buildings in city with flat top roofs are having trouble today from leaks as the heavy sleet starts thrashing and water cannot drain off due to stopped up and frozen gutters."

The above is from a local newspaper. The Scene: Many towns over the nation. A customer calls his insurance agent. He tells him the sleet and snow has done damage to roof of his residence.

The Agent: "The company is not liable for loss caused directly or indirectly by (a) frost or cold weather, or (b) snow storm, tidal wave, high water, overflow or ice, whether driven by wind or not."

The Customer: "I thought you wrote me extended cover and I thought extended cover covered this loss and other kinds of losses as well. Under comprehensive you insured my automobile. You said you would pay for this kind of loss if it happened to my automobile. You also told me a personal property floater policy would cover such a loss. My residence and the building I own is as important to me as other property that I own. Why can't you protect me?"

These situations are tough for a local agent to face. There are few

National Group Assets Cross \$100 Million

Assets of National of Hartford Group have crossed the \$100 million mark, and the total net premiums written last year hit a record high, at \$52,193,519, up 10.7% from \$47,146,886 in 1949.

There was a statutory underwriting profit of \$681,702, as against \$4,856,949 in 1949. Investment income in 1950 was \$2,476,386, compared to \$2,131,863 the previous year. Combined earning, before taxes, came to \$3,158,087 in 1950, against \$6,988, 812 in 1949.

Assets reached \$105,851,578, up from \$95,192,844.

The company says underwriting results in 1949 were exceptionally favorable, and not expected to be duplicated. Heavy windstorm losses cut into the 1950 results, which Chairman Layton and President Collamore call "satisfactory in respect of business development."

Wheeler, Kelly & Hagney Officers Are Realigned

John C. Kelly, one of the founders of the Wheeler, Kelly & Hagney Trust Co. and for many years president of the Wheeler, Kelly & Hagney Investment Co., which operates the insurance department, has been named chairman of the trust company.

Winston Wheeler has been named president succeeding his late father, Howard V. Wheeler, and Robert S. Brewer has been advanced from vice-president to executive vice-president. Winston Wheeler for many years served as active assistant to his late father in a large number of financial and industrial organizations with which they were

Heavy Kan. Inspection Schedule

Garden City will be inspected by Kansas Fire Prevention Assn. on March 20-21. Arkansas City is to be inspected April 4-5. An inspection of Atchison is being held this week.

The James D. Taylor & Sons agency at Kinsley, Kan., recently celebrated its 60th anniversary.

R_x... could be a doctors prescription!

... but the familiar insignia above, in the insurance world, represents the brief pseudonym of the title of the Royal Exchange. It is a sign recognized and used by Company agents and field men everywhere. It could, too, in common parlance of the day, represent "just what the doctor ordered" when it comes to Satisfactory Service to agents and insureds.



The Royal Exchange established in 1720 is one of the oldest and strongest insurance institutions in the world. It is well known for its outstanding service.

Royal Exchange Group

ROYAL EXCHANGE ASSURANCE PROVIDENT FIRE INSURANCE COMPANY
THE STATE ASSURANCE COMPANY, LTD.
CAR AND GENERAL INSURANCE CORP., LTD.

111 JOHN STREET, NEW YORK FIRE & CASUALTY INSURANCE
FIDELITY & SURETY BONDS
Representation in Principal Cities of the United States
and in Most Countries Throughout the World

NATIONAL INSPECTION COMPANY CHICAGO, ILLINOIS

Service to Stock Fire Insurance companies for 48 years.
Inspections and Underwriting Reports.

J. G. Hubbell
H. B. Chrissinger
Managers

R. L. Thiele
R. M. Hubbell
Ass't Managers

P. A. Pederson, Chief Inspector

In today's National Emergency
everything that moves by truck
is vital cargo...



BABACO ALARM
SYSTEMS, INC.
NEW YORK 14, N.Y.
Nationwide
Service

BABACO has effectively protected valuable goods in transit since 1931! Are your shipper-assureds using only BABACO equipped trucks?

Carleton Fisher Opposes N.A.I.A. Commission Action

Carleton I. Fisher, state national director of Rhode Island Assn. of Insurance Agents, has sent a letter to all state directors and to the members of the N.A.I.A. committee on commissions, saying that he believes that no statement on commissions is either necessary or desirable by the National association.

"I do not believe," Mr. Fisher adds, "there is any general demand by the membership that any such statement be issued or adopted. I, therefore, believe it will be my intention at the midyear meeting (April 16-8 at New York) to move that no such statement be adopted at all."

If it is decided that a statement should be put forth, Mr. Fisher states, that he is opposed to the principles included in the report presented at Chicago last October in that these points as written "are completely inadequate, and in addition, are ambiguous."

Drafts 25 Point Statement

Mr. Fisher has drafted a set of 25 statements of principle which he offers as a substitute for those reported on at Chicago. If they are not brought forth by the committee at New York, Mr. Fisher intends to present them himself.

The principles set out by Mr. Fisher provide:

Commissions should be specifically enumerated in a written contract between company and agent. Terms and conditions should be a matter of individual private contract with company and agent having free right to negotiate and agree on rates. Any changes should be individually renegotiated and no unilateral changes should be made. If companies, individually or collectively, desire to increase commissions, such action should be accomplished in accord with principles of contract law. Contingent commissions are sound in principle and should be encouraged.

In the absence of state regulation, fixing of or agreement on commissions by combinations of companies is presumably in violation of anti-trust laws.

N.A.I.A. recognizes that the responsibility of decision on state insurance legislation rests with the agents in the state, and N.A.I.A. has an obligation to refrain from activity that would place state associations at a disadvantage in supporting or opposing insurance legislation.

Acquisition cost conferences should not be legalized unless organized agents have an equal vote.

There having been no showing made that commission rates have increased excessively, or any commission war is in prospect, or that commission increases have or will affect premium charges, the burden of proof should rest on those making such allegations before action is taken which would allegedly improve such conditions.

Consider Economic Fluctuations

There is nothing inherently wrong with economic fluctuations causing reduced commissions in a tight insurance market, or higher commissions when companies are seeking premiums, and there is no reason to provide complete stabilization. Commissions should be regulated by economic and competitive factors, maximums and minimums to be fixed by competitive considerations, and competition for agents' business should not be abolished by any restrictions as to the right of private contract on commissions.

Commissions must be sufficient to pay all expenses of operating an agency including a reasonable compensation and profit.

Commissions should not be confused with cost loadings, and company accounting should require separate accounting for field and service expense, engineering, etc.

Commissions should not be limited by acquisition cost factors, and companies

can pay different rates to different agents.

An agent should receive special allowances for special services not usually performed by agents generally—the burden of justifying such extra compensation resting solely with the agent involved and not with the state or national association.

N.A.I.A. is not a collective bargaining organization for the purpose of negotiating with companies or company organizations as to remuneration.

N.A.I.A. recognizes that the rights and obligations to negotiate on commissions rests first with individual members unless otherwise authorized by the agents. N.A.I.A. has an obligation to refrain from activity that would place members at a disadvantage in carrying out negotiations individually, or through local associations.

The right of private contract cannot rest with individual agents unless it includes also right to negotiate for higher commissions, or to accept lower commissions on individual lines.

Any N.A.I.A. committee can discuss commissions or costs with any other group, provided that no action be taken by the committee or individual members, or any statement made by them be binding on N.A.I.A. unless approved by at least 34 votes of the state directors, and in any event no member or association shall be bound to accept this approval or be obligated by it.

Committees should be consulted before decisions are made.

Harry A. Dembicki has joined Fred D. Straley as a partner in his agency at Topeka, Kan. The agency's name has been changed to Straley-Dembicki Insurance Service.

Ark. Bills Upping Premium Taxes Have Dim Future

LITTLE ROCK—At the half-way mark of the Arkansas legislature none of the insurance bills which have been opposed by the business is close to passing. Most important bills have been measures to raise premium taxes. One, which would raise premium taxes on fire and casualty companies from 2% to 4%, met a storm outraged protest from insurance buyers and business men as well as agents. The bill at present is in committee.

Another bill would have raised premium taxes from 2% to 3½%. In addition, the bill would have provided that a company may reduce its premium tax rate in proportion to amount of assets which it has invested in Arkansas securities based upon a percentage of securities which a company has invested in the state in which it has the highest percentage of its admitted assets invested. Stiff opposition forced its withdrawal.

There also has been strong opposition to a bill designed to shear the workmen's compensation commission of some of its authority by establishing "trials de novo" over its findings of fact by appeal to the circuit courts. The senate committee recommended the bill "do pass" provided it is amended to permit appeals to be taken direct from the compensation commission to the supreme court.

Another bill permits companies to be named as co-defendants in damage suits, meaning that when an assured is sued as a tortfeasor in an action his company could also be named in the

suit. Agents and company men have pointed out that the bills' effect would be to make juries "insurance conscious," raise amounts of verdicts because of the existence of insurance and lead to higher casualty rates if not withdrawal from Arkansas of numbers of carriers.

Among minor bills pending is one authorizing cities to levy occupation taxes on agents.

Two motor vehicle financial responsibility measures are under consideration. One is a "voluntary type" measure which strengthens the present "one-free-accident" law requiring financial responsibility if judgment is assessed—not merely for future judgments as at present. This bill has already passed the house. The other is a compulsory insurance type bill. It is being strongly opposed.

Law Heads Lang Agency

ST. PAUL—V. O. Law has been elected president of W. A. Lang, Inc., large local agency closely identified with the St. Paul Fire & Marine group. He has been in the insurance business here since 1933, joining the Lang agency in 1944. As president he succeeds the late W. A. Lang, who founded the agency 60 years ago.

Karl V. Klein and Ernest Collingham were elected vice-presidents; P. H. Lamey, secretary-treasurer, and William H. Lang, chairman.

Mich. Mutual Meet May 9-10

Michigan Assn. of Mutual Insurance Agents will hold its annual meeting May 9-10 at the Morton House, Grand Rapids.



They'll have plenty when they are forced to live in a hotel and eat "out" while their home is being repaired or rebuilt after an unexpected disaster. "Extras" even a comfortably situated family might find burdensome.

Your customers will, too late perhaps, realize how much cheaper it is to live at home. Too late will they be made aware of the economy of Additional Living Expense Insurance to pay the "above normal" living expenses. Will *you* wait until it's too late before you tell your customers about this fine policy?



Royal-Liverpool agents are doing a fine job selling this policy with the help of the folder. "When you can't live in your own home." Royal-Liverpool agents may secure additional quantities from the Advertising Department.

ROYAL-LIVERPOOL INSURANCE GROUP

CASUALTY • FIRE • MARINE
150 WILLIAM ST., NEW YORK 38, N.Y.

ROYAL INSURANCE COMPANY, LIMITED • ROYAL INDEMNITY COMPANY • AMERICAN & FOREIGN INSURANCE COMPANY • THE BRITISH & FOREIGN MARINE INSURANCE CO., LTD. • NEWARK INSURANCE COMPANY • QUEEN INSURANCE COMPANY OF AMERICA
THE LIVERPOOL & LONDON & GLOBE INSURANCE CO. LIMITED • GLOBE INDEMNITY COMPANY • STAR INSURANCE COMPANY OF AMERICA • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD. • VIRGINIA FIRE & MARINE INSURANCE COMPANY

NEWS OF FIELD MEN

Subject:

DEDUCTIBLES

They are the answer in some cases; in others "The defensive cure is worse than the competitive disease!"

How will agents, companies and policyholders suffer from Fire and Windstorm deductibles?

To find out, send for a free copy of "The Hartford Agent" article.



**HARTFORD FIRE
INSURANCE COMPANY**

**HARTFORD ACCIDENT AND
INDEMNITY COMPANY**

Hartford 15, Connecticut

VICE PRESIDENT FIRE COMPANY

Here is an opportunity for a man with home office experience to set up the fire running mate of a progressive casualty company. They have an established plant and want a man to handle the operation of the fire company. Salary \$10,000.

FERGASON PERSONNEL

330 S. Wells Street HArrison 7-9040
Chicago 6, Illinois



London & Lancashire Names Davis, Hunting in Conn.

London & Lancashire has appointed William S. Davis and William H. Hunting as special agents for Connecticut. Mr. Davis has been with London & Lancashire since 1932 and has had considerable experience in both casualty underwriting and agency work. Since the death of C. H. Schroder, former special agent, Mr. Davis has been servicing agents in Connecticut.

Mr. Hunting, who recently joined the organization, has had considerable experience in both agency and company work.

Mammoth Kansas Field Rally Set for May 15-17

The annual meetings of Kansas Blue Goose, Kansas Fire Prevention Assn., Kansas Fire Underwriters Assn., Field Club of Western Insurance Bureau and Kansas educational committee have been set for May 15-17 at Wichita.

Sunflower puddle at Wichita will be host to the Blue Goose activities, which will include a golf tournament, buffet supper, business meeting, initiation and banquet.

The Kansas pond will be host to the Blue Goose splash at Joplin, Mo., in April in which members from Arkansas, Missouri, Kansas and Oklahoma will participate.

Initiate 12 at L. A.

LOS ANGELES—California Blue Goose at its Feb. 8 meeting put on a full exemplification of the initiatory ritual, 12 candidates being received. Milton Dunn was master of ceremonies and Alexander West and Lou Ryan were in charge of the ceremonies.

Ulen Named in Mo. Field

Great American has appointed Louis W. Ulen special agent in Missouri. He will be associated with Howard B. Henry, special agent, and have headquarters at Kansas City.

Mr. Ulen attended Ohio State University and spent several years in the local agency business. More recently he has been with Great American at Columbus, O.

Ohio Speakers Elect

Stock Fire Insurance Speakers Assn. of Ohio has elected Forest Aspinwall, Western Adjustment, president; Frank Stewart, Factory Insurance Assn., vice-president; O. E. Bechtel, Ohio Inspection Bureau, secretary; Franklin Rice, Springfield Fire & Marine, treasurer; Robert L. Foltz, Springfield, chairman of executive committee. New members of the executive committee are Jesse J. Johnson, Sun; Charles Miller, Scottish Union, and Fred M. Reiss, U. S. Fire.

Myers Named in Georgia

American group has appointed Marvin M. Myers as special agent for Georgia, assisting E. H. Scott and J. R. Mangan, special agents, in developing casualty business.

Mr. Myers was a paratrooper in the war. Since his discharge he has been at the home office of American, specializing in automobile and other casualty lines.

Gibson in Miss. Field

Robert G. Gibson has been appointed special agent in Mississippi for Aetna Fire. He was graduated from University of Richmond after army service and then entered the Aetna home office where he has had training in various departments. He is a graduate of the Aetna multiple line training school.

Mr. Gibson will be associated with State Agent O. J. Schooley with headquarters at Jackson.

Henn, Purdom, Van Arsdale Involved in Royal Shift

Royal-Liverpool has transferred State Agent E. F. Henn from Louisville to Nashville where he will supervise Davidson county and the survey department. Claude C. Purdom, state agent at Lexington, succeeds Mr. Henn. L. E. VanArsdale, central and eastern Kentucky state agent, will now supervise in addition Mr. Purdom's field.

Mr. Henn joined the company in 1927 at New York. In 1938 he was appointed special agent in Texas, moving to Louisville in 1943. He is an army veteran.

Mr. Purdom has had extensive training with the company both at the home office and in the field. Mr. VanArsdale, after several years of training in the home office, was transferred in 1938 to Louisville as special agent for the survey department and after army service was appointed state agent at Lexington.

Frazar Named in La. Field

John Frazar has been appointed special agent in Louisiana for Jack Cage & Co., managers of Dallas, and will represent Ins. Co. of Texas and Continental Fire & Casualty.

Mr. Frazar was formerly assistant chief examiner of the Louisiana Rating & Fire Protection Bureau. He is a graduate of Louisiana Polytechnic Institute and spent 3½ years in the army troop carrier command. He was with C. R. Middleton agency at DeRidder, La., for two years.

Bollwine Named in Iowa

Crum & Forster has named J. F. Bollwine as special agent and hail adjuster in Iowa with headquarters at Des Moines.

Initiate 20 Mich. Goslings

Michigan Blue Goose initiated 20 goslings at the winter meeting at Detroit last week. F. R. Grosvenor, Fidelity & Guaranty, M.L.G., presided at the afternoon business meeting and at the initiation.

The affair was concluded with a social hour and banquet which was attended by 195 ganders. Allen C. Guy, deputy most loyal grand gander at large, was the speaker, and he awarded 25-year pins to 16 ganders. Life membership certificates were given to Roy Peterson, Underwriters Adjusting, and Glenn R. Livingston, Aetna Fire.

Aetna Names Cobb in Minn.

Henry S. Cobb has been named special agent for Aetna Fire in the Minnesota field with headquarters at Minneapolis.

Baller Joins Millers Nat'l

Don A. Baller has resigned as manager of Transport agency at Seattle to join Millers National as state agent in Washington. A new service office is being opened at Seattle.

After starting in the business with Seeley & Co. in 1938, Mr. Baller was with Hansen & Rowland for a short time before entering the coast guard during the last war. He then joined Loyalty group and traveled western Washington for more than four years.

Hold Commissioner's Night

Connecticut Field Club held a Commissioner's Night at Hartford. W. Ellevy Allyn, Connecticut's newly reappointed commissioner, and members of his staff attended.

Swan Succeeds Lawrence

Ralph E. Swan, Security of New Haven, has been advanced to president of Oregon Fire Underwriters Assn. to succeed Drew P. Lawrence, Great

American, who has been recalled to active duty with the army air forces.

Other officers now are John T. Tilton, American, vice-president; A. Gordon Fraser, Fire Association, secretary; and Fred R. Brennan, Landis, Pelletier & Parrish, treasurer.

Dare Heads New Iowa Public Relations Group

Carl Dare, state agent of Great American, has been named general chairman of the public relations organization set up by Iowa field men. He is also president of Iowa Fire Prevention Assn.

The committee has completed the selection of associate chairmen and regional chairmen. Iowa Assn. of Insurance Agents has joined in by appointing listening post committeemen in the 12 districts in the state.

Associate chairmen are A. E. Holt, Aetna Fire; R. H. Stuhman, Northern Assurance; J. W. Wheaton, New Amsterdam Casualty; T. J. Hession, Western Adjustment; R. W. Douglass, Agricultural; G. H. Campbell, America Fore; Lee Roland, Home, and E. A. Smith, Security of Conn.

Buckley Ind. State Agent

C. O. Buckley, Indiana adjuster for the Mayflower of Ohio, has been appointed state agent to succeed John C. O'Neil, who resigned to enter the local agency business at Marion, Ind. Mr. Buckley is now living at Greensburg but will soon move to Indianapolis, where he will make his headquarters.

Simpson to Norwich Union

Daniel R. Simpson, formerly insurance manager for MacPherson Realty Co., Seattle, has joined Norwich Union as special agent for Washington and the Idaho panhandle with headquarters at Seattle. He succeeds the late E. W. Trenbath, formerly state agent.

Mr. Simpson started with Seeley & Co. and after air corps service he joined Northwestern Mutual and in 1948 went with MacPherson Realty Co.

Field Club Hears Gottsch

H. Paul Gottsch, executive secretary Colorado Assn. of Insurance agents, spoke at a meeting of Mountain States Fire Underwriters Assn. on the activities of the Colorado association in public relations matters.

Schiefelbein to Ia. Field

Herman A. Schiefelbein has been appointed special agent in Iowa for National Fire with headquarters at Des Moines. He has been with National since 1937 except for four years' war service, receiving comprehensive training in the various departments.

He will travel the northwestern Iowa field formerly handled by Special Agent V. C. Mickunas, who has resigned to enter the local agency business at Des Moines.

Indiana Gathering Feb. 19

Indiana Blue Goose Feb. 19 will gather at Indianapolis Athletic Club for an initiation and business meeting. A. S. Snow, Camden Fire, deputy most loyal grand gander from Columbus, will attend.

The Sunflower Blue Goose at Wichita has organized a public speaking class directed by Leslie Blake of the University of Wichita. Meetings are held Monday evenings, the course to continue for eight sessions. John L. Vorse, Security, is chairman.

G. H. DeVries, retired Kansas state agent of New York Underwriters, has opened an agency at Overland Park, Kan.

Wichita Blue Goose auxiliary held a luncheon meeting at the home of Mrs. Pearl Schoff. Co-hostesses were Mrs. James Farrell, Mrs. Morris Douglas, Mrs. Walter Rowse, and Mrs. Herbert Dixon, all wives of Western Adjustment men.

The CENTRAL

MANUFACTURERS' MUTUAL INSURANCE COMPANY

VAN WERT, OHIO

75th Annual Statement

DECEMBER 31, 1950



ASSETS

| | |
|--|-----------------|
| Cash in Banks and Offices | \$ 1,118,451.70 |
| U. S. Government Bonds | 12,345,849.96 |
| Canadian Government Bonds | 654,930.13 |
| Railroad Bonds | 25,177.76 |
| State, County and Municipal Bonds | 2,220,716.39 |
| Finance and Insurance Bonds | 200,000.00 |
| Industrial Bonds | 866,507.23 |
| Public Utility Bonds | 2,651,000.02 |
| Stocks | 2,581,426.00 |
| First Mortgages on Real Estate | 615,584.68 |
| Home Office Building | 70,000.00 |
| Premium Balances Receivable, Not over 90 days due | 1,431,870.91 |
| Premium Credits Extended | 102,134.92 |
| Reinsurance Recoverable | 12,535.19 |
| Interest Accrued | 122,067.23 |
| Total | \$25,018,252.12 |
| Less—Reserve for Exchange on Canadian Equities | 23,007.80 |
| Total Admitted Assets | \$24,995,244.32 |

LIABILITIES

| | |
|--------------------------------------|-----------------|
| Reserve for Losses | \$ 1,390,853.60 |
| Reserve for Unearned Premiums | 13,528,600.39 |
| Reserve for Taxes and Expenses | 664,761.50 |
| Reserve for Pensions | 632,616.86 |
| Reserve for Dividends | 842,369.71 |
| Reserve for Contingencies | \$ 500,000.00 |
| Unassigned Funds (Surplus) | 7,436,042.26 |
| Surplus to Policyholders | 7,936,042.26 |
| Total Liabilities & Surplus | \$24,995,244.32 |

Bonds are valued on an amortized basis, stocks at values of National Association of Insurance Commissioners. Securities carried at \$919,361.17 in above statement are deposited for purposes required by law.

GROWTH OF THE CENTRAL IN 10-YEAR PERIODS

| YEAR | ASSETS | NET SURPLUS | LOSSES PAID TO DATE | DIVIDENDS PAID TO POLICYHOLDERS |
|------|------------|-------------|------------------------|---------------------------------------|
| 1876 | \$ 9,871 | \$ 3,680 | \$ 74 | \$ |
| 1886 | 30,834 | 7,506 | 170,893 | 58,636 |
| 1896 | 99,378 | 54,522 | 730,793 | 101,365 |
| 1906 | 308,718 | 125,429 | 2,274,010 | 285,095 |
| 1916 | 1,001,133 | 472,040 | 6,916,881 | 988,238 |
| 1926 | 3,194,142 | 1,552,912 | 23,514,173 | 4,925,719 |
| 1936 | 5,707,185 | 2,464,656 | 35,221,028 | 16,974,408 |
| 1946 | 13,744,354 | 3,833,778 | 56,679,178 | 29,120,293 |
| 1950 | 24,995,244 | 7,436,042 | 71,177,575 | 34,637,234 |

"An old line, legal reserve Mutual Insurance Company"



Branch Offices in New York, Chicago, Los Angeles, San Francisco, Boston, Atlanta, Denver, Dallas, Toronto, Montreal

Air War Risk Bill Gets Favorable Consideration

WASHINGTON—Institution of government aviation war risk insurance was recommended by representatives of the Commerce Department and airlines in testimony before a Senate commerce subcommittee Tuesday, considering a bill sponsored by Johnson of Colorado, committee chairman, amending the civil aeronautics act.

The proposed program would be set up under the Commerce Department.

Assistant Secretary of Commerce Thomas W. S. Davis and Robert Rampeck, Air Transport Assn., endorsed the bill.

The committee had a letter from D. R. M. Scarritt, manager Associated Aviation Underwriters, approving the bill.

Insurance representatives attending the hearing included Gen. Dickson of National Board of Fire Underwriters and Eugene Thoré, general counsel Life Insurance Assn. of America.

The latter's interest lay in the fact that the bill originally would have permitted government to insure non-war hazards, and to provide for coverage of lives of aircraft personnel, even though

the risk was one that could be covered by private insurers. These provisions, however, have been omitted from later editions of the bill.

Davis explained war risk cover could be provided by the government under the bill when the President approves and the Secretary of Commerce determines such insurance adequate for needs of air commerce cannot be obtained on reasonable terms and conditions from companies authorized to do business in this country.

Government agencies could obtain coverage under the bill without paying premiums when the agency head agrees to indemnify Commerce for losses. Commercial insurers' personnel and facilities could be used in carrying out the program, and there could be reinsurance with, and reinsurance of, such companies. A revolving fund would be authorized.

The government policy would state maximum amount to be paid in event of total loss. The Secretary of Commerce to fix value of aircraft to be insured after consulting CAB.

Davis pointed out commercial war

risk aircraft coverage may be terminated on 48 hours notice. The proposed legislation is similar to the marine war risk law passed last Congress. When an emergency occurs, Davis said, premiums would be announced to "reflect the risk to the extent practicable."

First step to be taken would be evaluation of aircraft, next "a continuous study of circumstances and risks" as basis of premium rates. "This would enable government to provide coverage on short notice in emergency, Davis said.

Wouldn't Cover in U. S.

Aviation exclusively within continental U. S. (except Alaska) could not be covered under the bill. However, aircraft operating overseas from this country and cargo so carried could be covered. Davis suggested domestic property or cargo of the aviation transport industry should be covered under a general war damage program.

He said the bill had been considered by the insurance "industry" and was believed generally satisfactory. The program could be administered more satisfactorily and economically, Davis said, "if standby authority establishing the guide posts is provided now than if a program is planned and executed later" under emergency conditions when commercial war risk may not be available. Senator Hunt, Wyoming, brought

out the bill originated with the aviation industry. He said it does not seem practical to exclude aviation within the U. S.

Davis said the wartime war risk marine program had made a profit for the treasury, and there might be a profit from aviation war risk.

When Johnson wanted to know if the program would be on a mutual basis, with profits going to policyholders, Davis said no.

Upon being called upon by Davis, W. K. Ogden, chief maritime administration insurance division, said it is arranging to have government war risk coverage attach automatically on termination of commercial policies 48 hours after outbreak of war among four great powers. "We are arranging for government insurance to attach as of the time when the commercial policy terminates," said Ogden. "We will fix premiums at the time of the outbreak of war in accordance with the degree of risk applying to the maritime industry throughout the world and will collect premiums as promptly as can be done."

Ogden said war risk can be carried under present law without war breaking out if the Secretary of Commerce finds insurance not available at reasonable rates. But application must be made for it.

Paul Reiber, Air Transport Assn. attorney, said there are two principal differences between maritime war risk and aviation war risk. Under the former law there is authority to insure liability of shipbuilders and ship repairers. If anybody buys personnel insurance he can also buy war risk, he said. Aircraft builders do not feel they need that type of protection.

In aviation, crews of aircraft and airlines are under workmen's compensation or something similar, he said, and there is no need for special coverage there. Compensation does not apply in the marine field, though some compensation provision was wanted in maritime war risk legislation he added.

Ramspeck, urging importance of quick action, said Northwest Airlines operates in Korea and to Formosa, both danger spots.

Black, Peterson, Payne on Board of Home

Kenneth E. Black, Leonard Peterson and Herbert A. Payne have been elected directors of Home. Mr. Black became assistant to the president in 1949 and in addition vice-president in 1950. He started with Liberty Mutual in 1924 and later was vice-president of Dearborn National group. He supervised Home's war damage insurance activities in the war.

Mr. Peterson, a graduate of Armour Institute, was in fire prevention engineering at Chicago before joining Home in 1920 as special agent there. He became assistant secretary in 1934, secretary in 1935, vice-president and secretary in 1941 and vice-president and comptroller in 1947.

Mr. Payne started with Home as an adjuster in 1921, became assistant general adjuster, supervisor of the eastern department, assistant secretary in 1939, secretary in 1941, assistant vice-president and secretary in 1945 and vice-president and secretary in 1949.

NICHOLAS G. NORCROSS, who had been in the local agency business at Lowell, Mass., from 1887 until 1945 and who was president of Traders & Mechanics of Lowell from 1915 to 1920, died at Lowell General Hospital at the age of 90. The agency that he was with had been started by his father and later was known as Norcross & Leighton.

A DIRECTORY OF RESPONSIBLE

INDEPENDENT ADJUSTERS

FLORIDA

MIAMI RAYMOND N. POSTON

Adjusters all lines
482 Congress Bldg., Telephone 9-6448
KEY WEST BRANCH OFFICE
418 Fleming Street Phone 100
The Only Adjusters Office South of Miami

THOMAS M. McELVEEN COMPANY

Adjusters - All Lines
811 S. W. 8th Street
Miami, Florida
Branch Office: Havana, Cuba

ILLINOIS

Adjusters All Lines

E. S. GARD & CO.

Chicagoland Claims—Since 1920
175 W. Jackson Blvd. WAbash 2-8880-1

Tel. Harrison 7-9381

JAMES J. HERMANN CO.

175 W. Jackson Blvd.
Chicago 4
GENERAL INSURANCE
ADJUSTERS
Aurora-Kaneville 4891
Joliet 3-6704

Phone Harrison 7-3236

THOMAS T. NORTH, INC.

Adjusters All Lines

175 W. Jackson Blvd., Chicago 4

Office Phone: 3-2771 Residence Phone: 2-9482

W. J. ROTHFUSS

Adjusters All Lines

134 S. Main St. Decatur, Ill.

ILLINOIS (Cont.)

J. L. FOSTER

314 First National Bank Building
Springfield, Illinois
Fire - Automobile - Casualty

INDIANA

INSURANCE CLAIM SERVICE

Chanticleer Building, 24 North 6th Street
Terre Haute, Indiana
Phone Crawford 828
22 years experience operating in eastern
Illinois and western Indiana.
Legal personnel, all types of claims and losses.

IOWA

H. E. LIGHT ADJUSTMENT SERVICE

818 Higley Building, Cedar Rapids, Iowa
Office Phone 3-5311
Fire - Extended Coverage - Automobile -
Inland Marine - Casualty - Aviation

Office Phone 4-4931 Residence Phone 5-4958

CLARENCE P. ZIELKE

Adjuster since 1918
Casualty - Surety - Fire
and all allied lines

3522—6th Avenue Des Moines 13, Iowa

MICHIGAN

Robert M. Hill, Pres. E. S. Systrom, Vice-Pres.

The Robert M. Hill Co., Inc.

INSURANCE ADJUSTERS
1250 Penobscot Bldg., Detroit 28, Michigan
Woodward 5-9658

MICHIGAN ADJUSTMENT BUREAU, INC.

208 N. Capitol Ave., Lansing 7
Phone 21687-8
A. H. Kiebler, Manager
Branches
Detroit Saginaw Kalamazoo
Battle Creek Grand Rapids Flint
Benton Harbor Traverse City

NEW YORK

TOPLIS AND HARDING, WAGNER AND GLIDDEN, INC.

Insurance Adjustments
All Lines
Chicago Boston New York
Los Angeles Detroit

OHIO

O. R. BALL, INC.

Fire - Inland Marine -
Allied Lines

1293 Citizens Building
Cleveland 14, Ohio
Phone: Superior 1-7850

LOVELL & COMPANY

Automobile - Casualty
Inland Marine - Aviation

734 Williamson Building
Cleveland 14, Ohio
Phone Main 5882

THOMAS D. GEMERCHAK

Insurance Adjustments
All Lines

285 Great Lakes Life Bldg., Cleveland 14, O.
Phones Off. Su. 1-2868 - Res. Fa. 1-9482

OKLAHOMA

C. R. WACKENHUTH AND SON

ADJUSTERS FOR THE COMPANIES
ALL LINES

587 Orpheum Building, Tulsa, Oklahoma
Phone 2-5489 4-3658

HINE'S INSURANCE COUNSEL

Since 1908 . . . The Original Insurance
Law List
Complimentary listing and copies available
to all Insurance, Legal and Claims Officials
Hines Legal Directory, Inc. First Nat'l Bank Bldg.
Edw. E. Collins, Editor CHICAGO 3

Knudsen Now V.P. of Aetna Casualty

HARTFORD—In Aetna Casualty, Howard T. Knudsen, formerly secretary, has been made vice-president, and Bertrand J. Fay was made assistant secretary.

In Automobile, H. D. Van Gils was advanced from assistant secretary to secretary of the marine department. Carl P. Carlson and Herbert F. Hausman were named assistant secretaries of the fire department.

Mr. Knudsen joined the underwriting department of the W. G. Wilson agency for Aetna at Cleveland in 1921. He went to the home office in 1937 as manager of the special risk division, and in 1942 became secretary. Besides supervising the special risk division, he will have general supervisory duties in connection with all casualty underwriting in the home office, and other administrative duties under the direction of Vice-president C. B. Morcom.

Capps Western Inland Head of National Surety

National Surety Marine has appointed Paul F. Capps superintendent of the western inland marine department at Chicago. He will report to Russell J. Scott, home office superintendent. Mr. Capps has a background of 25 years in inland marine underwriting in Illinois and Indiana. He has lately been inland marine superintendent of North British & Mercantile at Chicago.

Weston L. A. Office Manager

Fireman's Fund has appointed Jack Weston office manager for the southern California office at Los Angeles. He has been with Fireman's Fund 18 years, and was transferred to Los Angeles from Boston.

Paul Heinz, Jr., of the Hussey agency at Topeka, treasurer of Kansas Assn. of Insurance Agents, is chairman of the Shawnee county fund campaign for the Red Cross.

Mrs. Elizabeth Harrel has joined the staff of Colorado Assn. of Insurance Agents. She is well known in Denver insurance circles, having been with a number of leading agencies.

Edward R. Moore, former president of Michigan Assn. of Insurance Agents, has been named general chairman of a campaign to raise \$1 million for hospital expansion at Port Huron, Mich.

Kenneth Jung, engineer in the western department of America Fore in Chicago, has purchased the Charles S.

Curtiss agency at Kenosha and will take over there on March 1.

Kane Says Competitive Bidding Is Possibility

WASHINGTON—If a satisfactory joint rating plan for coverage of defense cost-plus-fixed-fee contractors is not developed, Thomas L. Kane, Defense Department insurance director, says competitive bidding on insurance under defense contracts will have to be continued. But it is understood this would not be entirely satisfactory to the department, nor to many insurance companies.

Rating plan provisions have been under negotiation for a number of weeks between department representatives and a casualty committee, but they have not been able to reach agreement. Feb. 15 had been fixed as a deadline for resubmission by this committee of a revised plan, for consideration by the insurance advisory board meeting Thursday and Friday.

However, it was indicated that the board would have a number of matters to take up as to which Director Kane believed uniformity in practice of the armed services should be decided upon in case the revised rating plan was not in hand.

Under the competitive bidding system, Mr. Kane pointed out, the agent and broker work for the insurance company and there would be no need of setting up a program calling for employment of brokers and agents as insurance advisors to defense contractors.

Two different scales of percentage compensation rates for insurance advisors are pending before Mr. Kane and were expected to go before the advisory board. One scale was submitted by a committee representing brokers and the other by a committee of agents.

Women Set Region 8 Dates

The three-day business session of the Insurance Women's League of region 8 will be held at Sacramento, Cal., March 2-4. The Sacramento chapter will be hostesses.

Six-year-old Albert Tate, son of Mr. and Mrs. H. Cletus Tate of West Hartford, drowned Monday when he fell through a thin patch of ice on a pond near his home. Mr. Tate, secretary of Aetna Fire, was on a business trip in Mississippi when informed of the tragedy by phone. He flew home Tuesday morning. The Tates have two other children.

The agency of the late Jack G. Cherry, Pittsburg, Kan., has been purchased by Maynard W. Angwin. Mrs. Anna S. Gogatie, who has been in charge of the office for several years, will continue in the agency.



"LET'S HAVE SOME FUN, — LET'S NEARLY GET KILLED."

FASCINATING FIRST FACTS!

THE FIRST GUESS WHAT!

This contraption is the first baby-buggy, designed in New York, manufactured in England about 1848. In a way it was a royal carriage, for models were sold to Queen Victoria, Queen Isabella and the favorite wife of the Pasha of Egypt.



THE carriage was something new and wonderful that only a few could aspire to. Everybody is in need of the protection offered by Saint Paul policies. Your assureds are in "royal" company when they're with the Saint Paul.

Members, American Foreign Insurance Association, offering world-wide insurance facilities.

ST. PAUL FIRE and MARINE INSURANCE COMPANY MERCURY INSURANCE COMPANY ST. PAUL-MERCURY INDEMNITY COMPANY

First chartered almost a century ago

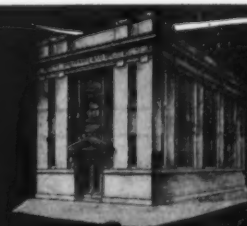
EASTERN DEPT.
75 Maiden Lane
New York 7, N. Y.

HOME OFFICE
111 W. Fifth St.
St. Paul 2, Minn.

PACIFIC DEPT.
Mills Building
San Francisco 4

SOUTH AND WATER STS.
BALTIMORE 3, MARYLAND
Phone: L. D. 109

40 EXCHANGE PLACE
NEW YORK 5
Phone: HANover 2-6384



LEONHART AND COMPANY, INC. REINSURANCE EXCESS AND SURPLUS LINES

W. HAROLD LEONHART, President
J. WILSON MAINSTER, Assistant to President
HENRY C. SMYTH, Vice President

F. ADDISON FOWLER, Vice President
ROBERT VAN DERSTINE, Vice President

MARINE INSURANCE NEWS

Set Up American War Risk Agency

NEW YORK—At a meeting of ocean marine underwriters here last week, it was agreed to set up American War Risk Agency to handle the writing of war risk coverage for the government on both cargo and hulls. The insurers will act as agents for the government through the agency, as they did in the last war through War Shipping Corp.

H. C. Thorn of North America, chairman of War Risk Reinsurance Exchange, acted as chairman of the meeting.

The several committees that will function for the business in the operation of the agency now are being formed.

Grant and Scott New Team

Harry A. Grant, Jr., has been appointed manager of the western marine department of Boston at Chicago and Kenneth B. Scott has been appointed

marine superintendent there.

After many years of insurance experience at New York, Philadelphia and Atlanta, Mr. Grant has for the past few years been marine superintendent for Aetna Fire in the Chicago western department. He has lectured on marine insurance and for two years was skipper of the Mariners Club of Atlanta.

Mr. Scott has been with Fireman's Fund at Chicago as inland marine underwriting giving special attention to Cook county business. He was previously in the inland marine business at New York 15 years. He is an army veteran of the last war.

The former marine manager of Boston at Chicago, William E. Cornwall, recently went with Johnson & Higgins and his assistant, Louis Feibel, went with Atlantic Mutual.

COMPANIES

New Hampshire Plans to Add to Its Resources

New Hampshire Fire has taken initial steps in the direction of increasing its \$10 par value capital stock from 300,000 shares to 375,000. The additional stock will first be offered to stockholders for subscription in the ratio of one share of new stock for each four shares of presently outstanding stock at a price later to be determined.

President Lester S. Harvey said this is called for by the heavy increase in premium volume that has developed since 1945. The net premiums of New Hampshire, exclusive of its subsidiaries, increased from about \$7,400,000 for 1945 to more than \$14,600,000 for 1950 and there has been an increase in the premiums of the two active subsidiaries. In order to be in a position to obtain a greater share of the desirable business available and to provide for the statutory reserve, additional capital funds are desirable. A preliminary discussion with investment bankers has been undertaken, looking toward formation of a group to underwrite the issue and to purchase any stock not subscribed for on exercise of warrant.

New Hampshire stock which carries a regular quarterly dividend rate of 50 cents, has been quoted in over the counter market at about 41 bid lately, which is somewhat above its low point of 39 earlier in the year.

Capital Is Increased

Capital of Republic of Dallas is being increased from \$4 million to \$4,200,000. This is accomplished by payment Feb. 24 of a 10% dividend on the \$2 million of common stock to stock of record Feb. 10. There is also \$2 million of preferred stock consisting of 20,000 shares that were sold last July at \$100 per share.

Home Office Is Remodeled

The St. Paul F. & M. group is holding open house Feb. 15 for inspection of its remodeled home office. The work has been in progress for more than a year.

Mayflower Men Advanced

F. J. Gunther, underwriter for Mayflower of Columbus, O., has been promoted to assistant secretary. H. W. Smoots, Ohio state agent, has been made assistant treasurer.

New Union Mutual President

Union Mutual Fire of Providence has elected Frederick T. Moses chairman and Harlan T. Moses president.

F. T. Moses has been president since 1927. H. T. Moses has been with the company since 1930, and a director and vice-president since 1939. His business career, started in 1930, has been principally in the field of property insurance. He is a vice-president and director of Fireman's Mutual and director of Appalachian, both of Rhode Island.

Allyn Confirmed in Conn.

The Connecticut legislature has confirmed the nomination of W. Ellery Allyn as insurance commissioner for another four-year term, beginning March 1.

Students Hear Burg, Dicks

M. L. Burg, Phoenix-Connecticut, Denver, at a meeting of Insurance Club of Denver University discussed the public relations program of Mountain States Fire Underwriters Assn. George M. Dicks, supervisor of the casualty and surety division of National Fire at Denver, also spoke.

Seattle Mariners Elect D. J. Carey President

Board of Marine Underwriters of Seattle at its annual banquet elected David J. Carey, Fireman's Fund, president succeeding James Longmuir, Marine Office of America.

Robert Biddison, Swett & Crawford, was named vice-president and reelected were F. W. Perry, Union of Canton, secretary, and Irwin Mesher, executive secretary.

Holden Heads Master Mariners

Capt. Edward C. Holden, Jr., U.S.N.R., a partner in United States P. & I. Agency, New York City, has been elected president of Council of American Master Mariners. The organization includes those prominent in American merchant marine, ashore and afloat.

Capt. Holden is an authority on sea safety methods and conventions, and has written extensively on marine insurance. Capt. W. R. Lawrence of Appleton & Cox was elected to the council's executive committee.

Claims Men Hear Furrier

Members of the Inland Marine Claims Assn. of New York at the February meeting heard Larry Kronrot, a New York furrier, who explained how to detect fraudulent claims under fur floater policies. He described the characteristics which distinguish old furs from new ones.

CHICAGO

HAGERMAN HEADS MUTUAL CLUB

H. W. Hagerman, National Retailers Mutual, was elected president of Chicago Mutual Underwriters Club at the annual meeting. Vice-president is Frank Trischon, Liberty Mutual; secretary, John Ryerson, National Retailers, and treasurer, Raymond Bennett, Country Mutual Fire.

The February meeting will be a dinner and smoker, and the Underwriters Laboratory movie, "Danger Sleuths," will be shown.

Kelso & Sons of Chicago, specialist in coverage for taxicabs, liveries and long haul and intermediate truckers, will continue to provide the same coverages for agents and brokers. A. J. Kelso, head of the agency, was killed recently in an automobile accident. No changes in personnel have been announced.

'49 Best, '50 Worst

A. E. Heacock, president of Pacific Fire, Bankers & Shippers and Jersey, in a message to stockholders, remarked upon the unpredictability of extended coverage results. He observed that in 1949, the companies had the best E.C. year in their history and in 1950 they had their worst, this being due of course to the midwest storm in May, the Florida blow in October and the big north-east storm of Nov. 25-26.

WANT ADS

Rates—\$13 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Monday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER — FIRE & CASUALTY EDITION

WANTED DIRECT WRITING CASUALTY PRODUCER

Underwriting manager for stock casualty insurance company plans to enter direct writing field in Texas on a competitive program. Seeks highly capable producer with a following; must have extensive experience in direct writing of automobile, workmen's compensation, and general liability insurance business. Company licensed in Texas, but inactive at present. Wonderful opportunity for right man who will have backing of our very aggressive organization, which will assure a permanent future with security. Salary and bonus commensurate with ability and experience. Address D-77, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill., giving personal data, experience, draft status, production record, income requirements, etc.

JUNIOR FIRE ADJUSTERS OPPORTUNITY

In building our organization for the future we are prepared to consider employing in each of our five offices a junior fire adjuster.

If you are interested, and believe yourself to be qualified, please communicate, in writing only, with the undersigned giving full particulars.

A. T. PERSSON, President

TOPLIS & HARDING, WAGNER & GLIDDEN, INC.

BOSTON NEW YORK DETROIT CHICAGO
LOS ANGELES

ATTENTION— FIRE COMPANIES

Underwriting and agency manager for stock casualty insurance company servicing approximately 1500 agents and brokers in Southern California want to represent aggressive sound fire company on complete underwriting or agency basis. Please address your communications to D-76, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED—EXPERIENCED FIELD REPRESENTATIVES

Central Illinois territory, also eastern Iowa territory. Competitive multiple lines, independent casualty and fire companies. Newest policy forms. Give age, experience and salary requirements. Replies confidential. Address D-80, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Outstanding opportunity for qualified AGENCY MANAGER

Accident, Health, and
Hospitalization Field.

Here is your chance to develop your own agency force. Address D-66, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Here is an outstanding opportunity for you if you are qualified to conserve Accident, Health, and Hospitalization business through your letters. Address D-67, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

PASADENA OFFICE SPACE

Office space available in Class "A" building on most important corner in Pasadena. From 200 to 20,000 square feet. Parking. Write T. D. Rogers, 9014 Wilshire Blvd., Beverly Hills, California.

WANTED

Fire adjuster with field experience fire and allied lines for supervisory claims duties in Home Office at Des Moines, Iowa. Address D-75, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

FIRE PREVENTION ENGINEER

Familiar with Analytic Rating Schedules, knowledge of underwriting valuable. Armour Institute Certificate of Graduation will be given consideration. Excellent opportunity for advancement in well established local Insurance Agency at Detroit, Michigan. All replies held in strictest confidence. Address D-78, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED—EXPERIENCED AUTOMOBILE UNDERWRITER

Excellent opportunity for aggressive man, Chicago branch office, competitive independent company with newest policies and special ratings. Midwestern territory. Give age, experience and salary requirements. Replies confidential. Address D-79, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

Ohio
Attrac

About
annual
Co. at
Farmers
annual
conduct
manager

At the
pany, w
dent C.
vice-pre
on the
Ohio F



J. C. I.

general
\$5,582,0
\$462,527
tal and
demnity
\$177,098

Carl
presiden
ceeding
& Reed
ident is
secretar

Webb
and dir
the Ivy
western
award f
given b
and eco
Akron.

At the
A. Wel
rector
Curtis,
sel, pre
on the
the hom
agent o
ice, and
town, C

At the
given b
O., Irv
J. Moa
Gilbert
man of
Roggen
Burke

New
Carl
Chester
presiden
which
William
and W
Conn.,
Excelsi
intende
an assis
is appoi

Pro R

Texas
Office
rata ca
mobile
tary se
given d
approva

Alfre
of Indi
E. Ree
writers
dinner
Bend-M
Agents
speak
antenna

Ohio Farmers' Rallies Attract 300 Agents

About 300 local agents attended the annual meeting of Ohio Farmers Ins. Co. at Leroy, the meeting of Ohio Farmers Agents Assn. there and the annual school of instruction that is conducted by Dwight P. Ely, production manager.

At the meeting of the insurance company, welcome was extended by President C. D. McVay, and J. C. Hiestand, vice-president and secretary, reported on the results for the year. Surplus of Ohio Farmers, including a voluntary



J. C. Hiestand



C. D. McVay

general reserve of \$600,000 amounted to \$5,582,025 which was an increase of \$462,527. Assets were \$16,195,376. Capital and surplus of Ohio Farmers Indemnity was \$2,396,045, an increase of \$177,098. Assets were \$8,206,724.

Carl Ike of St. Marys, O., was elected president of the agents association succeeding Charles Collier of the Hawley & Reed agency of Cleveland. Vice-president is John Best of Columbus, and secretary is C. D. Palmer of Columbus.

Webb I. Vorys, Columbus attorney and director of the company, awarded the Ivy trophy to the agents of northwestern Ohio district for the best record award for his district. An address was given by Paul E. Belcher, vice-president and economist of First National Bank of Akron.

At the banquet, toastmaster was John A. Weber, Medina attorney and a director of Ohio Farmers. Charles E. Curtis, vice-president and general counsel, presented statuettes of the old man on the fence to Mr. Ely, Carl Simcox of the home office, Carl A. Rickard, local agent of Alliance, O., for 25 years' service, and of John Wood, agent at Georgetown, O., for 50 years representation.

At the school of instruction, talks were given by Tom B. Guy of Bellefontaine, O., Irving Swinehart of Dayton, John J. Moore of Minneapolis, Richard L. Gilbert of Indianapolis, John H. Heyman of White Plains, N. Y., Carl H. Roggenkamp of Milwaukee, Thomas J. Burke of Minneapolis.

New Excelsior Officers

Carl McM. Crawford, local agent of Chester, Pa., has been elected a vice-president of Excelsior of Syracuse, of which he has been a director since 1941. William J. Burton of Woodbury, Conn., and Wilhelm A. Wintter of Bridgeport, Conn., have been elected directors of Excelsior. Donald P. Littlefield, superintendent of operations, has been named an assistant secretary. Robert E. Miller is appointed assistant treasurer.

Pro Rata for Soldiers

Texas Automobile Insurance Service Office has notified companies that pro rata cancellation is in order on automobile policies for insured entering military service. Similar authorization was given during the last war. This has the approval of the insurance department.

Alfred R. Sears, South Bend manager of Indiana Rating Bureau, and Thomas E. Reed, South Bend manager of Underwriters Adjusting Co., are addressing a dinner meeting Thursday of South Bend-Mishawaka Assn. of Insurance Agents at South Bend. Mr. Reed will speak on adjusting losses to television antennas.

Okla. Allows Installment, Annual Forms Side by Side

Oklahoma insurance board has received an opinion from the attorney general that the board may approve the issuance of straight one-year fire insurance policies notwithstanding the fact that the same company may issue installment premium payment plan policies.

The board has ruled that a company by having had the installment premium payment plan heretofore approved for its use on property subject to the term rule is not thereby prohibited from issuing a policy for a term of one year on like property, provided all applicable plans approved for use by the company are explained and offered to all prospective purchasers and each insured is afforded his choice of such plans in the purchase of his insurance.

However, the annual renewal plan endorsement still must be attached to all policies issued for a term of less than two years on risks subject to the term rule if the company has filed an annual renewal plan.

Likewise, the extension plan endorsement must be attached to all policies issued for a term of less than two years on risks subject to the term rule if the company has filed an annual extension plan.

G.A.B. Has Southern Shifts

William F. Brent, Jr., who has been at Norfolk for General Adjustment Bureau, has been appointed adjuster in charge at Fredericksburg, to succeed J. R. Callan, who has become a company field man. Mr. Brent has been with G.A.B. since 1947.

At Greenwood, Miss., Lacy G. Newman, who has been at Jackson, has been named adjuster in charge to replace Otis S. Dunn, who has been called back into the service. Mr. Newman started with the bureau at Jackson after leaving the army air force.

Robert H. Dickert, senior adjuster at Bluefield, W. Va., has been appointed manager at Columbus, Ga., to succeed the late Frank T. Dowdle. Mr. Dickert started with G.A.B. in 1946 at Jacksonville, Fla., and has served at Raleigh, N. C., and Bluefield. He was in the army during the war.

Manufacturers Mutual Book

Manufacturers Mutual Fire of Boston has published a book telling the story of the first 100 years of the company which was founded in 1850. The account is written by Dane Yorke and presents a lively picture of the progress of fire insurance and New England business over the years.

Kline Pa. House Chairman

G. Edgar Kline, Pottsville Republican, has been named chairman of the insurance committee in the Pennsylvania house. He also headed the committee at the 1949 sessions.

Opens Canadian Head Office

Transportation has opened a Canadian head office at Toronto. H. W. Thompson is superintendent of agents and J. K. Wylie director of sales training. The company expects to establish offices across Canada in the near future.

Set Up Civic Committee

Insurance Agents Assn. of Kansas City has set up a civic insurance committee headed by Frank G. Altman of Altman-Singleton & Co. One of the lines to be serviced by the group is the Starlight Theatre, a civic enterprise that will present operatic productions.

New Senate Insurance Group

WASHINGTON—The Senate banking committee has set up a subcommittee on banking, securities and insurance, consisting of Senators Frear, Del., chairman; Maybank, S. C.; Sparkman, Ala.; Schoeppel, Kan., and Dirksen, Ill.



PIKE'S PEAK DISCOVERED LAW UNION & ROCK INSURANCE CO., LTD. FOUNDED

The great West was still wild, unexplored and wide open for opportunity when the Law Union & Rock Insurance Company, Ltd. was founded.

The Company is the oldest of those which now comprise The London & Lancashire Group. For 145 years it has steadily increased in financial stability and service to its agents and policyholders all over the world.

Capt. Z. M. Pike, a member of the Lewis & Clark Expedition, discovered the 14,109 ft. peak. This is one of a series of historical advertisements regarding the companies of The London & Lancashire Group.



THE London & Lancashire GROUP

THE LONDON & LANCASHIRE INSURANCE COMPANY, LTD. • ORIENT INSURANCE COMPANY • LAW UNION & ROCK INSURANCE COMPANY, LTD. • SAFEGUARD INSURANCE COMPANY OF NEW YORK • STANDARD MARINE INSURANCE COMPANY, LTD. (Fire Department) • LONDON & LANCASHIRE INDEMNITY COMPANY OF AMERICA

1910

1951

OVER FORTY YEARS

of factual appraisal service to
America's more conservative business institutions

IMPARTIAL VALUATIONS
of
INDUSTRIAL and COMMERCIAL
PROPERTY

DISTRICT OFFICES IN ALL PRINCIPAL CITIES



The Lloyd Thomas Co.

RECOGNIZED AUTHORITY ON PHYSICAL VALUES
APPRAISAL ENGINEERS
4411-15 RAVENSWOOD AVE., CHICAGO

EDITORIAL COMMENT

Time to Get Excited

Insurance men putting dimes in pay phones and in New York subway turnstiles ruefully reflect that here are two closely regulated enterprises that are getting double what they used to get from their customers while insurance rates are still being trimmed even in the face of clear signs of alarmingly higher underwriting and loss costs.

What is needed, but fast, is for the insurance business to stand up on its collective hind legs and make a noise like a telephone company or bus company that is entitled to and intends to get a steeper tariff. An aggressive spirit, almost a fighting spirit, is called for.

In the light of the explosive effect of inflation upon insurance results it won't do to wait for rate filings to come along in the usual routine and based entirely on historical indications. Inflation of prairie fire character is licking dangerously close to the insurance house. The exodus of employes from insurance offices in several centers and the inability to get replacements is one dangerous manifestation of the new inflation and it is something that has to be taken account of in the rate and quickly. Insurance companies have to keep in business and the public will have to pay the cost of their operations, whatever that may be, as well as sharing in the loss cost. The insurance companies have got to be in a position to pay competitive wages in these days of inflation. That is a factor of common concern to all lines of insurance.

The incidence of the effect of inflation and the extent of it varies from line to line. The task is to anticipate and detect these effects at an early stage and to move to get a correction of tariff, before the effects become ruinous and it becomes simply a matter of chasing endless deficits. The most immediate and grave problem appears to be in auto third party insurance. The post-Korean inflation is striking here with a ven-

geance. Explosive is the word for it. Some companies detected the trend earlier than others but all are painfully conscious of it now. The realization may burst upon the consciousness of management in startling fashion. For instance, one big company found that its auto liability loss ratio jumped 10 points for the year simply as a result of December experience. The direct companies have only to look at the appalling record of the casualty reinsurance companies over the past few years on auto liability to get a full warning. These companies have been losing millions upon millions even after rate increase upon rate increase due to the fact that they got the full brunt of inflation. Things are not going to turn out all right here just by waiting.

It won't do to permit the customarily slow machinery of rate regulation to prevent emergency measures to be applied where emergency measures are indicated. It won't do to wait until inflation starts to consume the substance of insurance companies before looking for relief. When that happens the race begins to look hopeless. There is no catching up. No other type of business is required to wait until it is swamped in red ink to get its charges up. If wages, cost of raw materials or any other factor comes into play, a business immediately sets about pricing its product to take account of that and allow also for profit, and that is true even of regulated business. There are factors just as real and even more menacing in the insurance field that need to be translated quickly into increased rates. There needs to be up and down the line a real awakening to the danger and the need and a resolution to take heroic measures if necessary to prevent a strangulation of the insurance structure by a combination of inflation and of regulation that can't look quickly enough beyond historical evidence.

PERSONAL SIDE OF THE BUSINESS

Donald O. Wilson has been elected president of the Binghamton, N. Y., Community Chest. He is a partner in the firm of M. O. and D. O. Wilson, general agents for Massachusetts Mutual Life, and vice-president of Smith, Wilson Bros. & Stanton, large multiple line agency.

John O. Hardwicke, chief engineer of the Cook County Inspection Bureau, was honored at a luncheon at Chicago marking his 40th anniversary with the organization. It was attended by mem-

bers of the bureau's 25-year club. Manager Elmer Reske presented Mr. Hardwicke a check on behalf of the bureau and N. J. Lucas, dean of the 25-year club, presented him with a clock, the gift of the members.

R. J. Costigan, veteran Kansas City manager of Business Men's Assurance, has completed 25 years with the company. President J. C. Higdon presented him a diamond pin and described him as an outstanding manager and top personal producer. Mr. Costigan is a past

president of International Assn. of A. & H. Underwriters.

To J. Alfred Grow, Jr., vice-president of Homer Warren & Co., Detroit local agency, was born a fourth child—a boy whose name is J. Alfred Grow III. He is the third son of the third son of a third son. His grandfather, J. Alfred Grow, is vice-president of Homer Warren & Co., and is a past president of Michigan Assn. of Insurance Agents.

One of those seriously injured in the wreck of the Pennsylvania Railroad at Woodbridge, N. J., was **Paul U. Farley**, manager of the credit insurance department of Phoenix-London, who suffered fractured ribs and possibly other injuries. He is in Perth Amboy general hospital and his condition is reported fair. He lived in Allenhurst, N. J. Ordinarily he would have taken the Jersey Central to his home, but because of the wildcat strike of switchmen he was on the train that was wrecked. He has been with Phoenix-London about 15 years.

C. H. Wilber, an examiner for North British, and Mrs. Gussie Mills of the North British supply department were injured.

George Hahn, assistant U. S. manager of Halifax, was on the train and was shaken up.

Alan Wikman, assistant director of education of General Adjustment Bureau, who lives at Fair Haven, was in the club car and was not hurt. **Victor Edelmenn**, an inspector newly with General Adjustment Bureau, was slightly injured.

E. W. Twenhoeft of the Twenhoeft Company, local agency at Belleville, Ill., has returned from a vacation trip to Florida and Nassau. This was his 26th visit to Florida.

Al Goldsmith, insurance correspondent and editor for District of Columbia Insurance Agents Assn., was married Feb. 2 to Alysse Moran, correspondent for Time and Life.

Jarl T. Sorenson, who has just been appointed assistant secretary of Eastern Underwriters Assn., working mainly



JARL T. SORENSON

with the rating methods research committee, has been with North America since 1939, except for navy service, at

Chicago, Des Moines and the home office. Earlier he was with Ohio Inspection Bureau and Western Actuarial Bureau.

Edward King, president of Hooper-Holmes Bureau, was married at New Vernon, N. J., to Mrs. Marjorie Dean DeWeese of Detroit, widow of L. N. DeWeese, former industrial commissioner of the Pere Marquette division of Chesapeake & Ohio railroad.

Vincent F. Wilcox, Jr., of Knox & Co., general agents for Aetna Casualty, has been elected president of the Greater Hartford Community Chest. He is a director and former vice-president of the Greater Hartford Community Council.

Harry Perlet, assistant manager of the U. S. Chamber of Commerce insurance department, is celebrating the arrival of a new boy in his family, named Gerold. This makes three boys in the family—Harry, Terrie and Jerry.

H. L. VanHorn was guest of honor at a dinner at Philadelphia given by the directors of Manufacturers Casualty. He recently resigned as executive vice-president of that company and Manufacturers Fire to become president of Calvert Fire.

Continental Casualty

Advances J. M. Smith, Engh

Continental Casualty has advanced J. M. Smith, vice-president in charge of A. & H. to 1st vice-president. John E. Stipp, vice-president and secretary of the Continental companies has been named to the board of directors of Continental Casualty and Continental Assurance. Robert E. Spottke, vice-president of the casualty company has been elected to the board of Continental Casualty. Raymond H. Belknap, vice-president of Continental Assurance, has been elected to the board of that company. Homer J. Livingston, president of First National Bank of Chicago, was elected to the board of both companies. Martin P. Cornelius, who has been general counsel for both companies, was named senior consultant of the group.

Mr. Smith joined the company in 1925. He became superintendent of agents in the disability division in 1935, a vice-president in 1940 and a director two years later.

Ray Engh, who has been auditor and assistant secretary of Continental Casualty, was named assistant vice-president. He joined the company in 1925 in the accounting department and has been auditor since 1949.

Ohio to Accept Filings on Construction Cost Insurance

The Ohio department has announced that it has reviewed its position on increased cost of construction insurance and will now accept filings submitted by fire companies to write the coverage. No bureau has filed rates of forms for this insurance, and companies will make independent filings of rates and forms.

Charles A. Kahrhoff, Jr., has been named by the mayor of Grand Island, Neb., as civil defense director. He is a partner in the George Cowton agency and a former F.B.I. man. **J. B. Beltzer**, Grand Island Trust Co., is a member of the governor's state civil defense advisory committee.

THE NATIONAL UNDERWRITER

PUBLISHED EVERY THURSDAY



Published by THE NATIONAL UNDERWRITER CO., PUBLICATION OFFICE, 175 W. Jackson Blvd., Chicago 4, Ill., SUBSCRIPTION DEPT., 420 E. Fourth St., Cincinnati 2 Ohio

EDITORIAL DEPARTMENT: Managing Editor: Levering Cartwright, News Editor: F. A. Post, Associate Editor: R. B. Mitchell, Assistant Editors: Richard J. Thain, John C. Burridge.

OFFICERS: Howard J. Burridge, President, Louis H. Martin, Vice-President and Secretary, John Z. Herschede, Treasurer, 420 E. Fourth St., Cincinnati 2, Ohio.

BRANCH OFFICES IN KEY CITIES

ATLANTA 3, GA.—432 Hurt Bldg. Tel. Walnut 9901. Carl E. Weatherly, Jr., Southeastern Manager.

BOSTON 11, MASS.—210 Lincoln St. Tel. Liberty 2-1402. Wm. A. Scanlon, Vice-Pres.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. Teletype CG-654. O. E. Schwartz, Chicago Mgr. A. J. Wheeler, Resident Mgr. R. J. O'Brien, Advertising Mgr.

CINCINNATI 2, OHIO—420 E. Fourth St. Tel. Parkway 2140. George C. Roeding, Asso-

ciate Manager; George E. Wohlgermuth, News Editor; Arthur W. Riggs, Statistician.

DALLAS 1, TEXAS—708 Employers Insurance Bldg., Tel. Prospect 1127. Roy H. Lang, Southwestern Manager.

DES MOINES 12, IOWA—3333 Grand Ave., Tel. 7-4677. R. J. Chapman, Resident Manager.

DETROIT 26, MICH.—413 Lafayette Bldg. Tel. Woodward 3-2826. A. J. Edwards, Resident Manager.

KANSAS CITY 6, MO.—605 Columbia Bank Bldg. Tel. Victor 9167. William J. Geasing, Resident Manager.

MINNEAPOLIS 2, MINN.—555 Northwestern Bank Bldg. Tel. Main 6417. R. W. Landstrom, Resident Manager.

NEW YORK 7, N. Y.—99 John St., Room 1103, Tel. Beekman 3-3958. Editorial Dept.—Eastern Editor: Kenneth O. Force; Assistant Editor: Thomas J. Gartland.

Business Dept.—Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 5-3706. E. H. Fredrickson, Resident Manager.


PITTSBURGH 22, PA.—503 Columbia Bldg. Tel. Court 2494. Jack Verde Stroup, Resident Manager.

SAN FRANCISCO 4, CAL.—507 Flatiron Bldg. Tel. EXbrook 2-3054. F. W. Bland, Pacific Coast Manager. John E. Caughman, Pacific Coast Editor.

DEATHS

ARTHUR ST. GEORGE JOYCE,

who had been with North America first as publicity director and later as advertising manager since 1942, died at Jefferson hospital, Philadelphia, at the age of 58. He had been ill about nine weeks. He joined North America and helped direct the work of publicizing its 150th anniversary. He was born at Ennis, Ireland, his father having been a poet and journalist. He went to Philadelphia in his early youth. He had been financial editor of the Philadelphia Public Ledger and city editor of the Evening Ledger and of the old Philadelphia North American. Later he was with an advertising agency.



Arthur Joyce

LESTER W. SMITH, 46, owner of Smith Adjustment Co., Des Moines, died of multiple thrombosis. He was formerly in partnership with E. J. Flatley in Smith-Flatley Adjustment Co. and from 1931 to 1946 was claims manager for Allied Mutual Casualty of Des Moines.

EUGENE S. ANDERSON, retired advertising manager of Hartford Fire, died at Hartford Hospital. He had been in failing health for several years and had retired four years ago after serving the company since 1921. He had been advertising manager since 1931.

Mr. Anderson was the author of many articles on photography and for several years was editor of Better Photos magazine. He was a former photographic editor of Field & Stream.

CARL LEE SHERMAN, an engineer with New York Underwriters, was one of those killed in the Pennsylvania wreck at Woodbridge, N. J. His age was 62 and he had been with the company 30 years. His home was at South Belmar, N. J. He was born at Sandoval, Ill., and was a graduate of University of Illinois.

ROBERT H. McCARTER YOUNG, 30, a member of the O'Gorman & Young agency at Newark, was killed in the wreck. He was a graduate of Princeton and a captain in the army engineering corps during the war.

WILLIAM E. ROBINSON, who was attached to the legal staff of Fidelity & Deposit at the Newark office, 45, was killed.

JULIUS VEIT, 59, Fair Haven, underwriter with Commercial Union and associated with that group since he was 14, was killed in the wreck.

JOHN F. JAMES, general agent of Monarch Life at Newark, long active in A. & H. association work, was killed in the Pennsylvania Railroad wreck at Woodbridge, N. J., last week. He was one of the best known football officials in the country and last year was president of Eastern Assn. of Inter-Collegiate Football Officials. He graduated at Princeton in 1932 and was an All-America halfback in his senior year. He served in the navy during the last war.

WALTER B. MONROE, 61, La Grange, Ky., local agent, died of a heart attack while in Louisville on a business trip.

STUART W. HANNAH, 49, local agent of Shelby, Mont., died at Butte of a heart attack.

ARMIDAS POCQUETTE, father of Franklin J. Pocquette, western field manager of the Meserole companies with headquarters at Chicago, died at his home at Oconto, Wis., Sunday. Despite his 89 years he had been active until the day before his death.

JOHN G. HORNUNG, 90, who retired two years ago from the Hornung agency at College View, a suburb of Lincoln, Neb., died there.

WALTER M. ZINK, 73, former Buffalo local agent, died there. Shortly after his graduation from University of Buffalo law school, Mr. Zink went into the insurance business with his brother,

Henry A., and the late Albert Zink. They operated the agency for about 25 years.

CLARENCE S. WEST, 74, Nebraska City, Neb., local agent, died after an extended illness.

M. J. MOONEY, SR., 80, long engaged in the insurance business at St. Marys, Ohio, died there.

JOHN E. McNALLY, 70, president of State Farmers of Omaha, who also operated a local agency at Schuyler, Neb., died at Los Angeles of a heart attack while on a vacation. He had been in the insurance business since 1902.

North America Had Great Record in 1950

North America's assets, surplus, and premium writings reached a new high in 1950, according to President John A. Diemand's report to the board.

Assets of \$444,459,000 represent a gain of about \$57 million from 1949. Capital was \$18,079,210, surplus \$107 million, and general contingency reserves \$72 million, an increase in the latter of \$29,002,000, making policyholders surplus above \$197 million. This was an increase in policyholders surplus of \$34,081,000.

Written premium income was \$176,394,000 and earned premiums were \$161,130,000, the biggest year in North America's history, exceeding the previous one year high of \$163,983,000.

Underwriting expenses and claims incurred totalled \$152,684,000, up \$18,639,000 over 1949. The ratio of expenses and claims to earned premiums was much higher than in 1949 because of severe windstorms.

Underwriting income was \$8,446,000, investment income \$15,162,000. After federal income taxes, the companies earned a net profit of \$18,075,000, second best year on record, and comparing favorably with 1949's \$21,703,000 operating profit.

Agent Licensing Board Is Sought in Indiana

INDIANAPOLIS—A bill, sponsored by Indiana Assn. of Insurance Agents, has been introduced in the Indiana house setting up a board to handle the examination and qualification of agents. The board would consist of two agents, insurance commissioner ex-officio, a representative of a casualty company and a representative of a fire company.

Changes Now Official

Following the annual meetings of trustees of Atlantic Mutual and directors of Centennial, J. Arthur Bogardus was named chairman; Franklin B. Tuttle, president and Miles F. York, executive vice-president. William D. Winter retires under the pension plan but remains on the board in an advisory capacity as chairman of the executive committee. The changes were announced in December.

Bureau Won't File

New York Fire Insurance Rating Organization governing committee voted not to file the new multiple location risk rating plan of Continental and several other companies. Presumably the latter will file independently, as a deviation from the plan presently on file by N.Y.F.I.R.O., which is the Escott plan.

Richard E. Stephens has been recently elected president of Grand Island (Neb.) Chamber of Commerce. He is past president and state national director of Nebraska Assn. of Insurance Agents, and past chairman of the N.A.I.A.

L. C. Plummer has opened an independent adjusting office at Artesia, N. M. He was with General Adjustment Bureau for seven years, had 1½ years' of company experience, and was with a local agency for four years.



JACKSON FRANKLIN BUILDING

JACKSON BOULEVARD
AT FRANKLIN STREET

*A Leading
Building For Leading
Insurance Firms*

Tenanted by leading Fire and Casualty Insurance Companies, the Jackson-Franklin Building offers the ultimate in fine executive and general office accommodations, at substantial savings in rental. Companies with leases expiring soon will find it profitable to obtain our plans and rental information.

SPACE NOW AVAILABLE

Owner Management **JACKSON-FRANKLIN BUILDING**

309 West Jackson Boulevard

Chicago 6, Illinois

Telephone WEBster 9-3031

Fire Capacity Problems?

You needn't have them — through our facilities — Stock Companies and Lloyds — we can give you virtually unlimited capacity.

**Standard Risks — Special Hazard —
Fire, E. C., Business Interruption
Water Damage, Flood,
Replacement Value Coverage**

Write us today for application forms and general instructions.

Insurance Research Service, Inc.

World Markets for Insurance

Home Office—502 Pickwick Bldg. Kansas City 6, Mo., U.S.A.

Atomic Damage Issue Evaporates

(CONTINUED FROM PAGE 1)

investigate each loss reported, without making any commitments, and submit the facts to the interested company. I believe it is the general feeling or attitude of the interested companies that there is a serious question as to whether such loss or damage would be covered under the fire policy by reason of the war risk exclusion clause per Form No. 202 (Jan. 1950). On the other hand, it has been indicated that losses occurring under plate glass policies would be covered.

AEC Asks for Reports

"It has been announced on behalf of the atomic commission, by radio and newspapers, that such losses allegedly resulting from the atomic explosions should be reported to their local service office where a thorough investigation of all claims will be made. It was also announced by radio and newspapers, on Tuesday, Feb. 6, that their testing operations, referred to as Operation Ranger, had been concluded for the time being.

"One very interesting and incomprehensible statement made by representatives of the commission was to the effect that one pound of the atomic substance or material was equal in strength to 16 million pounds of TNT."

Krier Speaks at Appleton

APPLETON, WIS.—Insurance agents are beginning to wake up to their civic responsibilities, Urban Krier, Milwaukee, executive secretary of Wisconsin Assn. of Insurance Agents, told the Appleton association at a dinner meeting. He advised sound public relations activities and advised that commissions on public business written through the

local board be used for civic activities, rather than divided among the member agents. Community interests will strengthen the association. He also commented on local participation in the state association's safety driving contest for high school pupils and described the new contest on "How to Ride a Bicycle Safely" which will be featured for students this year.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago

Feb. 13, 1951

| | Div. | Bid | Asked |
|-----------------------------|--------|--------|--------|
| Aetna Casualty | 3.00* | 104 | 106 |
| Aetna Fire | 2.25* | 57 | 58 1/2 |
| Aetna Life | 2.50* | 66 | 68 |
| American Alliance | 1.50* | 26 | 27 1/2 |
| American Auto | 2.00 | 40 | 42 1/2 |
| Am. Equitable | 1.25 | 24 1/2 | 25 1/2 |
| American (N. J.) | 1.00 | 21 1/2 | 22 1/2 |
| American Surety | 3.00 | 56 | 58 |
| Boston | 2.65* | 56 1/2 | 57 1/2 |
| Camden Fire | 1.15* | 21 1/2 | 23 |
| Continental Casualty | 2.50* | 68 | 70 |
| Fire Association | 2.60 | 61 | 63 |
| Fireman's Fund | 1.60 | 50 | 52 |
| Firemen's (N. J.) | .70 | 21 1/2 | 22 1/2 |
| Glens Falls | 2.30* | 54 | 56 |
| Globe & Republic | .80 | 12 | 13 |
| Great American Fire | 1.50* | 32 1/2 | 33 1/2 |
| Hanover Fire | 1.60 | 34 | 35 |
| Hartford Fire | 3.00* | 126 | 128 |
| Home (N. Y.) | 1.80 | 35 | 36 |
| Ins. Co. of North Am. | 5.50* | 128 | 130 |
| Maryland Casualty | .80 | 19 | 20 |
| Mass. Bonding | 1.60 | 28 | 30 |
| National Casualty | 1.50* | 33 | 35 |
| National Fire | 2.50* | 61 | 63 |
| National Union | 1.60 | 35 1/2 | 37 |
| New Amsterdam Cas. | 1.50 | 34 1/2 | 36 |
| New Hampshire | 2.20 | 40 | 42 |
| North River | 1.20 | 26 1/2 | 27 1/2 |
| Ohio Casualty | .80 | 52 | 54 |
| Phoenix, Conn. | 3.00* | 79 | 81 |
| Preferred Accident | 2.30* | 29 1/2 | 30 1/2 |
| Prov. Wash. | 1.50* | 125 | 128 |
| St. Paul F. & M. | 3.00 | 125 | 128 |
| Security, Conn. | 1.60 | 33 1/2 | 34 1/2 |
| Springfield F. & M. | 2.00 | 43 | 45 |
| Standard Accident | 1.60 | 34 1/2 | 36 |
| Travelers | 14.00* | 530 | 540 |
| U. S. F. & G. | 2.00 | 48 | 50 |
| U. S. Fire | 2.40 | 67 | 69 |

*Includes extras.

Study New Multiple Location Plan

(CONTINUED FROM PAGE 1)

companies for which they filed the credit-surcharge plan. In this way they will avoid waiving the rights of those companies.

Because of the nature of its rating law, the new plan is considered in effect in California. It is said that there is a plan for writing multiple location business in effect in all states except Texas and Illinois. In the latter the credit-surcharge filing is now in court.

According to underwriters substantial amounts of multiple location business have gone to London Lloyds, the factory mutuals, Liberty Mutual Fire and others, though the bulk of the business appears still to be in stock company channels. As the dispute enters its new phase it appears that there are some in the business who still believe it can be worked out within the family, so to speak. Some of those companies opposed to the credit-surcharge plan are on the governing committee of Multiple Location Service Office.

Mutual Plan Based on Class

The plan filed in New York by factory mutuals, in which interest has increased, is based on class rates, not specific as is the case with the M.L.S.O. program. Provision is made for modifying class rates, presumably to reflect individual experience though the plan does not set forth any individual risk factor. Because of the class base, the coverage is not necessarily limited to stock, machinery and fixtures, as is M.L.S.O. The mutual plan covers at one or more locations, the America Fore plan two or more and M.L.S.O. five or more. Thus rating can be approached from Form A and 1. There is nothing in the plan to show that peak liability or concentra-

tion of liability in one location constitute rate factors. The plan has a mandatory limit of liability on non-sprinklered risks but apparently none on sprinklered.

Central Manufacturers Shows Numerous Gains

Central Manufacturers Mutual of Van Wert in its new statement shows gains all along the line. Assets increased by over \$3 million to \$24,995,244. Surplus to policyholders gained by over \$1 million to \$7,936,042. Net premiums written amounted to \$12,763,228, which was a gain. There was an underwriting gain of \$1,964,145, or 17.7% of premiums earned.

Central is this year celebrating its 75th anniversary, having been started in 1876 by Van Wert merchants.

N. C. Auto Rates Revised

RALEIGH, N. C. — Effective Feb. 19 but retroactive to policies becoming effective since last Dec. 1, a revision in the automobile casualty manual has been approved by commissioner Cheek.

The commissioner said the filing in North Carolina is in line with a national filing. It will result in a 15% reduction in rates for farmers' private passenger cars in classes 1 and 2, reduce B.I. and P.D. rates for hired autos from 33 1/4% to 50% and reduce non-ownership liability rates for class 1 employees by 33 1/4% to 60%. Garage liability is broadened and a mileage basis is established for determining the premium for U-Drive, drive-yourself and driverless car risks.

Cothran A.F.I.A. Trustee

Perrin C. Cothran, vice-president of Phoenix of Hartford, has been elected a trustee of American Foreign Insurance Assn. to fill the vacancy caused by the resignation of George C. Long, Jr., chairman of Phoenix.

INTER-OCEAN REINSURANCE COMPANY

Cedar Rapids, Iowa

FINANCIAL STATEMENT AS OF DECEMBER 31, 1950

ASSETS

| | |
|--|-----------------------|
| Cash in banks | \$ 829,552.14 |
| United States Government bonds | 3,052,387.21 |
| Other bonds | 3,055,248.33 |
| Preferred stocks | 577,738.00 |
| Common stocks | 1,243,561.00 |
| First mortgage loans | 181,101.16 |
| Home office and other real estate | 78,145.40 |
| Accrued interest and rents | 51,950.87 |
| Premium balances (not over 90 days) ... | 596,623.63 |
| Reinsurance recoverable on paid losses .. | 38,854.80 |
| Surrender value of life insurance policies | 43,132.13 |
| Total admitted assets | \$9,748,294.67 |

LIABILITIES

| | |
|---------------------------------------|-----------------------|
| Unearned premiums | \$5,296,405.46 |
| Reserve for losses | 1,030,250.66 |
| Reserve for adjustment expense | 50,855.90 |
| Reserve for taxes | 77,708.67 |
| All other liabilities | 301,970.40 |
| Capital | \$1,000,000.00 |
| Surplus | 1,991,103.58 |
| Surplus to policyholders | 2,991,103.58 |
| Total | \$9,748,294.67 |

Note: On the basis of December 31, 1950 market quotations for all bonds and stocks owned, the company's total admitted assets would be increased to \$9,783,172.47 and the surplus to policyholders to \$3,025,981.38. Securities carried at \$1,000,000 in the above statement are deposited as required by law.

HOME OFFICE
Cedar Rapids
Iowa

REINSURANCE
FIRE AND ALLIED LINES
PRO RATA AND EXCESS OF LOSS

EASTERN DEPARTMENT
90 John Street
New York

constitute
mandatory
covered risks
covered.

s
ins

al of Van
ows gains
reased by
4. Surplus
er \$1 mil-
lions writ-
which was
riting gain
premiums

rating its
n started
ts.

ised

ective Feb.
becoming
revision in
l has been
week.

filing in
a national
reduction
passenger
e B.I. and
m 33 1/4%
ership lia-
bilities
ability is
is estab-
lishment
for driverless

ee

ident of
n elected
Insur-
caused by
Long, Jr.,

Y

46

66

90

67

40

58

67

T

The NATIONAL UNDERWRITER

CASUALTY and SURETY SECTION

February 15, 1951
PAGE 17

Illinois Department Orders Compensation Rate Justification

Hearing on National Bureau's Fitness Set for March 6

The Illinois insurance department has set March 6 as the date for a hearing at Springfield to afford National Bureau of Casualty Underwriters an opportunity to show cause why its license to act as a rating bureau for workmen's compensation in Illinois should not be revoked. This is the culmination of a rate review conducted by the department of the experience rating, schedule rating and expense modification provisions in the rating structure.

There are several factors leading to the apparent conviction of the insurance director that National Bureau rates need to be justified. Illinois is the only state in which National Bureau is the compensation rating organization. In the other states, National Council for Compensation Insurance is the sole rating organization. In Illinois, the stock companies and many of the mutuals subscribe to the National Bureau rates, some of the mutuals use National Council rates and others use National Bureau rates with deviation. The main controversy between the National Bureau and the insurance department seems centered in the 25% judgment factor which is allowed underwriters by the National Bureau. The stock companies and their agents have been particularly zealous in fighting for this principle in Illinois. They maintain that it injects the element of competition in compensation in the state whereas in other states with but one rating bureau only the mutuals have any sort of a competitive advantage. They point out that in many of the National Council states the mutuals have the bulk of the business, because all companies use the same rates and the mutuals win over the business with their dividends. In Illinois, they say the stock companies can hold their own by judicious application of the judgment factor principle to offset mutual dividends. The Illinois department is expected to argue that the use of the 25% judgment factor is invalid, because it is not based upon any definite conditions or qualifications. The National Bureau advocates are expected to counter that underwriting considerations are qualification enough for the judgment.

Simplification of Administration

It is felt that another reason the insurance department would like to see National Council installed as the sole rating bureau in Illinois is that it would simplify administration of compensation rate filings and experience records through a single body that operates nationwide. It is felt that the insurance director has been under considerable pressure from other commissioners to unify the compensation rating across the country by installing National Council as the rating body in Illinois.

The National Bureau setup was perfected in Illinois rather than the National Council pattern when Nellis Parkinson, who was then Illinois insurance director, insisted on a high degree of flexibility in workmen's compensation rating plans.

Some of the insurance people were expressing surprise at the unusually

STORY OF FORGERY

\$83,000 Loss Minimized by Solid Work of Surety

NEW YORK—The newspapers several weeks ago carried the story of the arrest of Paul Neil Lewis, 36, on charges of having diverted to his own pocket \$83,000. The money had gone to a New York advertising firm in response to the promotion of "chef saws" as a premium by Arthur Godfrey on the Lipton Tea program.

Because of the method used by Lewis to divert the money, it was legally not an embezzlement from his employer, the advertising agency, but a forgery. The loss, therefore, fell upon the bank in which were deposited the half dollars sent in for the chef saws, and involved the surety on the bank's blanket bond.

Some of the elements in the case are unusual, including the fact that it was primarily the surety's prompt and excellent investigation which led to Lewis' arrest. It is a rather spectacular illustration of how a personable and troubled man can take advantage of today's complex economic machinery and in a few short weeks make off with a small fortune. It is also an example of exceptionally good work on the part of the surety to recover salvage and hold down the loss.

How Lewis Was Hired

The story starts half way through 1950 when the letter house of True, Sullivan Neibart Associates of New York decided to expand its operations by getting into the premium business. It was about to advertise for a man who was familiar with this field when someone, who was innocent in the matter, recommended Mr. Lewis as a man who knew the premium business and who was at the moment out of a job.

Mr. Lewis was a mild mannered, soft spoken young fellow who made an excellent impression on members of the firm and he was hired. He had been married a year and had a baby. Almost immediately he brought in a couple of accounts. When he suggested the chef saw premium idea for Lipton Tea, he was authorized to make the approach. Lipton was to purchase the saws from a California firm. A carload of them arrived at the Long Island warehouse of the agency in September and Arthur Godfrey began to talk about them on his Lipton program. They were offered for 50 cents and a boxtop.

blunt language of the notice of hearing, a portion of which read as follows: "This hearing is for the purpose of affording the National Bureau of Casualty Underwriters an opportunity to show cause, if any, why its license to act as a rating organization for workmen's compensation insurance should not be revoked on the grounds that as to this line in Illinois it does not meet statutory standards to competence, that its rating plans and rules do not conform with the requirements of law in that said plans and rules result in unfair discrimination and that it is otherwise not qualified to act as a rating organization in the state of Illinois for workmen's compensation insurance."

It is expected that the National Bureau and the individual subscribers will have many representatives on hand and the Chicago Board and Illinois Assn. of Insurance Agents will be represented by W. W. Hamilton, the executive officer of these organizations. The stock producer groups in Illinois are strongly opposed to National Council rating and in his annual address as president of the Chicago Board, Emil L. Lederer pledged a hard fight against National Council by his organization.

The agency began to receive the half dollars and process the requests. The saws began to roll out to customers. As the money accumulated, it was deposited in a special account to be paid to Lipton later. By early October, when the firm had approximately 4,000 half dollars on hand, the agency discussed with Lewis, who had developed the business, the procedure for handling the money and transferring it to the Lipton company.

Method of Payment Established

Lewis suggested that inasmuch as Lipton owed the California firm money, it would save bookkeeping if the money were transferred directly to a partner in the California firm which furnished the premiums. The plan was so set up. The check was made out to the partner and given to Lewis for delivery. He forged the payee's name and under that endorsement wrote, in a different hand, "for deposit only, Keith Ward." He took the check to another branch of the bank and introduced himself as Keith Ward. He wanted to deposit the money, he said. He would wait until the check had been cleared by the bank and then would start withdrawing.

Quite properly the bank asked for references and "Mr. Ward" agreed to supply them. He gave the bank the name of the partner in the California firm and the name of Paul Neil Lewis of the True, Sullivan and Neibart agency. The addresses he supplied for these gentlemen, however, were telephone and mail answering services and Mr. Ward-Lewis received them. He wrote especially commendatory letters to the bank about Mr. Ward's character and finances and the bank was justifiably content.

Loses First Take First Day

The first \$2,300 was withdrawn in cash by Mr. Ward-Lewis about October 5 and lost on the same day at the race track.

He was in financial and other difficulties. He had evolved a scheme for beating the races, but at this attempt instead of winning a few hundred, which apparently he believed would get him out of his difficulties and enable him to restore the money and return to the guise of an honest man, he lost.

The bank's records of Mr. Lewis' transactions reflect what certainly appears to be a story of an unsuccessful system of betting. It also demonstrates the pulling power of Mr. Godfrey's recommendations on the air and over TV. On October 17, \$6,500 passed into the hands of Mr. Ward from his special account, on November 2, \$16,000; November 8, \$18,000; November 9, \$21,000; and November 13, \$18,500, for a total of almost \$83,000, all in a period of about five weeks.

About November 15 Mr. Lewis withdrew the proceeds of the last check. A day or so earlier he had turned up at the office with a bad cold. The agency was not surprised nor unduly alarmed when he informed an agency partner that he was taking off a week to rest, going to friends on Long Island.

DISAPPEARANCE

A day or two later the bank, noting the rapidity with which large sums moved through Mr. Ward's account, called the agency for an explanation. At about the same time the Lipton company called to ask if the agency did not have a substantial sum of money for it. In a few hours it became apparent

(CONTINUED ON PAGE 30)

Pa. R. R. May Face \$10 Million B.I. Loss in Wreck

Lloyds Cover Is Only \$1 Million—No Death Limit in N. J.

The Pennsylvania railroad wreck at Woodbridge, N. J., which killed 84 and injured several hundred, perhaps 100 seriously, may cost as much as \$10 million in claim settlements and court verdicts. This figure is regarded as reasonably realistic by claim men of casualty insurers accustomed to setting up reserves on all sizes and kinds of liability claims. Other informed guesses run in the neighborhood of \$5 to \$6 million.

This is the fourth \$1 million loss London Lloyds will have been called on to pay under its Pennsylvania railroad cover in less than a year. That is the extent of the Pennsylvania's cover. That is all it has been able to get. The previous million dollar wrecks for Lloyds were the two on the Long Island railroad and the running down of a troop train at West Lafayette, O., by another train. Marsh & McLennan is the broker on this line.

The percentage of injured and killed who could be classified in the higher income brackets was not as great as was at first thought. There was a sprinkling of this class of earner throughout the injured and killed. Those in the club car at the rear of the train suffered only minor shakeups, or were not injured at all.

If the 84 deaths are figured at \$40,000 apiece, something more than \$6 million would be left for injuries, of which there were many. There were some broken backs, and casualty companies have had recent experience with that kind of injury. They can run as high as \$200,000. There were other injuries of obviously permanent kind, such as loss of two legs, loss of one leg, etc. There is no limit on recovery for wrongful death in New Jersey.

The wide publicity given to the idea of negligence as the cause of the wreck likely will increase the total cost of the catastrophe to the railroad.

Casualty Agents' Midyear to Be at Houston March 30-31

National Assn. of Casualty & Surety Agents has announced preliminary plans for its midyear meeting at Houston. The meeting will be at the Shamrock Hotel March 30-31, and will be in conjunction with the annual meeting of National Assn. of Surety Bond Producers, which will meet March 29-30, the two associations having a joint dinner on the 30th.

Form Springfield Council

Springfield (Mass.) Casualty Insurance Claim Managers Council has been formed with Charles U. Hatch, Aetna Casualty, as president; Walter J. Woulfe, Maryland Casualty, vice-president and J. A. O'Reilly, Travelers, secretary.

The council, comprised of claim men from practically all companies writing third party liability in western Massachusetts, will seek to hasten the handling of claims and provide a check on claim frauds.

Liable for Accident Damage If Key Left in Ignition

LANSING, MICH.—A bill introduced in the Michigan legislature would make a motorist who leaves his car with the motor running or with the key in the ignition liable for damages in event the machine is stolen and figures in an accident.

Several Michigan cities now have ordinances prohibiting leaving cars with keys in their ignition locks but none, so far as known, specifically makes the offending motorist responsible for damages in event the car is stolen.

Another bill by the same author would make "charitable, eleemosynary or non-profit" agencies responsible and subject to damage actions in all cases in which such agencies' representatives were proved negligent.

Start Cal. Convention Plans

LOS ANGELES—President James Bennett of Insurance Assn. of Los Angeles has named committees to have charge of arrangements for the annual meeting of the California association here next fall. General chairman is William H. Menn.

To Hike Conn. Blue Cross, Medical Rates, Benefits

HARTFORD — Connecticut Blue Cross and Connecticut Medical Service have increased rates, effective April 1. The boost will affect some 1 million Blue Cross members, including 400,000 who are also members of the medical service plan.

Harry B. Kennedy, Blue Cross president, said the rate increase was the first since 1946. He attributed it to higher hospital costs, enlarged use of benefits and additional hospital services. Several new benefits will accompany the increase, he explained, and new drugs and other improved techniques will be provided to hospitalized subscribers. The medical service also will expand its surgical care program with the increased subscription fees.

Under the new program, the medical service will make higher payments for many surgical operations. The maternity fee goes up from \$60 to \$75.

Revised monthly rates for Blue Cross group members are \$1.80 for individuals, \$3.60 for husband and wife, and \$4.50 for a family. Those who pay directly will pay \$2.17, \$4.34, and \$5.33 a month on a quarterly basis.

Corresponding figures for medical are, for payroll subscribers, \$.95, \$1.90, and \$2.85; for direct payments, \$1.17, \$2.34, \$3.50.

May Remove Minn. \$10,000 Wrongful Act Limitation

ST. PAUL — The senate judiciary committee has recommended for passage a bill which removes the \$10,000 limitation on recovery for death or injury due to wrongful acts. The bill leaves determination of the amount that can be recovered to a judge or jury.

In the committee hearing on the bill, spokesmen said removal of the limitation would have little or no effect on liability insurance rates. There was opposition to taking the ceiling off entirely and an attempt was made to amend the bill by fixing the limit at \$15,000. This was defeated.

Some opponents of the bill charged that insurers have been using the \$10,000 limitation as a club to force claimants to settle for a smaller amount out of court.

Another bill now in both houses would create a nine-member interim commission to study state insurance laws and operations to determine if rates are too high. The authors contend there is too big a spread between premiums collected and benefits paid, ignoring the expense element entirely.

New P.R. Setup in Mass.

Casualty companies in Massachusetts have established a public relations outfit to carry out an extensive program covering press and radio, according to Benjamin B. Priest, general counsel of Insurance Federation of Massachusetts.

The new organization, which is called Casualty Insurance Companies Serving Massachusetts, is domiciled at 8 Beacon street, Boston. This permanent outfit will be similar to the committee for community automobile rates which last fall rallied insurance people to defeat the flat auto rate referendum at the polls.

Ia. Responsibility Act Upheld

The Iowa supreme court has upheld the constitutionality of the Iowa financial responsibility act in a case brought by Henry E. Doyle of Clinton, Ia., who had his driver's license suspended.

The supreme court held that the act did not violate either the Iowa or the federal constitution. Doyle had contended it violated the Iowa constitution on the ground it included more than one subject matter; that it violated the bankruptcy provisions of the federal constitution, and that he was denied a hearing under the due process clause.

Await Curry Talk

Unusual interest is being taken in the talk that Harold E. Curry is giving next Tuesday at a luncheon of the insurance group of Union League of Chicago. He is actuary of State Farm Mutual Automobile and his topic is "Socialism at Our Door." He will give a first-hand report of how insurance and other business enterprises are faring in Saskatchewan. He accompanied the North Dakota legislative research committee on its trip to that province and as a consultant to the committee secured a first-hand picture of how business enterprises are faring in this socialistic province. He will be introduced by Vestal Lemmon, manager of National Assn. of Independent Insurers.

Nat'l Surety on Neb. Loss

A \$39,093 judgment was paid in district court at Elwood, Neb., by National Surety for a former Gosper county treasurer, John Canada, who pleaded guilty to embezzlement of county funds in 1945. Audits showed more than \$60,000 missing from the funds, the amount paid by National Surety being the balance after proceeds from the sale of Canada's real estate and personal property were turned over to the county.

Middleton Named Ohio State Manager of National Surety

Frank R. Middleton has been appointed Ohio state manager for National Surety and National Surety Marine.

Mr. Middleton joined National Surety at Pittsburgh in 1924 as special agent and later became assistant manager. In 1933 he was appointed manager at Columbus. He served two terms as president of Insurance Federation of Ohio and is also



F. R. Middleton

a past president of Ohio Assn. of Casualty & Surety Managers. His headquarters are in the High-Long building, Columbus.

James H. Littlefield, formerly assistant manager, has been appointed resident manager at Columbus. Mr. Littlefield graduated from the company training school at the home office after having served with the army engineers during the war.

Edgar L. Henry, assistant manager at Buffalo, has been appointed manager at Akron, replacing John K. Burns who was transferred to Oklahoma City as manager.

Kan. Mutual Agents' Rallies

Kansas Assn. of Mutual Insurance Agents held a series of educational meetings to which about 800 agents were invited. Programs were furnished by Kansas 1752 Club. President John Rhodes, Mill Owners, was in charge of meetings at Garden City, Great Bend and Wichita on successive days. Vice-president Charles A. Hartman, Employers Mutual Casualty, Topeka, had charge of similar meetings at Lawrence, Emporia and Chanute while Secretary William Schultis, Farmers Alliance, McPhehson, conducted meetings at Oakley, Osborne and Salina. Four men were in charge of each meeting, two fire and two casualty. Subjects discussed included "Insurance to Value and Coinsurance."

Organize at Stoughton

Stoughton (Wis.) Assn. of Insurance Agents has been organized with Paul Donahue as president; Harley Moe, vice-president; Jean Hogue, treasurer, and W. E. Netterblad, secretary.

Loss of \$229,000 at L. A.

Loss involving \$229,000 of insurance resulted from a fire at the Jim Dandy Market, Los Angeles. On the line are: National American Fire, \$100,000 on building; Northwestern Mutual, \$25,000 specific on stock; Oregon Mutual and Tri-State Mutual Grain Dealers, provisional stock to \$65,000; Indiana Lumbermen's Mutual, \$16,000 on equipment; Great Western F. & M., \$40,000 on equipment; Union of Canton, \$5,000 U. & O.; Michigan Millers Mutual, \$3,000 on stock and fixtures.

Launch Specialty Underwriters

Specialty Underwriters, Inc. has been incorporated at St. Paul to operate and manage insurance companies and sell and write all kinds of insurance except life. Incorporators are John Hicks, Lawrence Hazen and Horace H. Hanson, all of St. Paul. It has offices in the Hamm building with Cheesemakers Mutual.

Hartford Assn. of Insurance Women will hold a "bosses' night" party Feb. 20. The program will include George Malcolm-Smith of Travelers, humorist, and a sketch by members of the association: "A Day in the Writem and Dropem Agency."

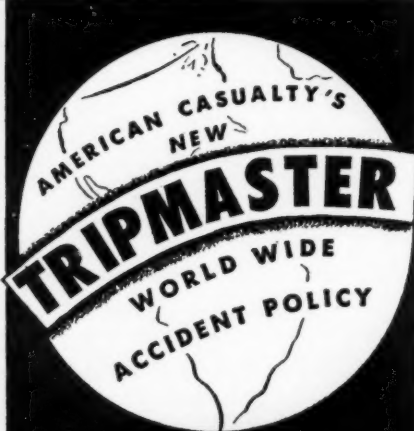
"H'm'm'm... This looks good for EASY COMMISSIONS THE WHOLE YEAR 'ROUND!"



American Casualty's new TRIPMASTER is the world-wide trip accident policy that you can write on the spot in your client's office... not once, but two, three, four or more times every year! Written for periods of from 3 days to 6 months, the TRIPMASTER covers travel and all other accidents anywhere on the globe.

There are no cash remittances required from agents... premiums show on your regular monthly statement. Convenient "jiffy-packet" contains ten (or twenty) policies, complete with carbon, necessary copies, full instructions and a handy claim blank. THIS is the trip accident policy that's designed for volume sales—to an unlimited group of prospects—at TOP commission earnings.

Write today for specimen policy and rates



\$5000.00 DEATH & DISMEMBERMENT BENEFIT with \$250.00 Blanket Medical Expense up to \$25,000.00 DEATH & DISMEMBERMENT BENEFIT with \$1250.00 Blanket Medical Expense

24-hour-a-day protection for travel and all other accidents Terms from 3 days to 6 months

American Casualty Company

OF READING, PENNSYLVANIA

and
rger
ty

een ap-
for Na-
ty and
Surety

ddleton
ational
Pitts-
1924 as
ent and
e assist-
ger. In
as ap-
nager at
s. He
o terms
t of In-
deration
d is also
of Cas-
s head-
building,

assist-
ed resi-
Little-
y train-
ter hav-
engineers

manager
manager
ns who
City as

llies

insurance
il meet-
s were
hed by
John
charge
Bend
Vice-
t, Em-
ka, had
wrence,
secretary
ce, Mc-
Oakley,
were in
re and
cluded
rance,"

insurance
h Paul
e, vice-
er, and

insurance
Dandy
ne are:
000 on
\$25,000
al and
provi-
umber-
pment;
000 on
000 U.
\$3,000

ers

s been
te and
d sell
except
Hicks,
Han-
ces in
makers

Women
Feb. 20.
s Mal-
and a
lation:
ropem



You've Done It Yourself!

When most people read about accidents or illness, they shake their heads and congratulate themselves on the fact that nothing ever happens to them. You've probably done it yourself.

Everyone loves an optimist. But rarely do you find anyone who loves him well enough to pay his doctor, nursing and hospital bills if he is injured or laid up by illness.

Your customers will appreciate the fact that an unexpected accident or illness is bad enough without the added blow of unexpected and unwanted expense.

The world's greatest optimist will appreciate the good sense of protecting his savings and earnings against the financial blow of injuries or illness. People you talk to will be grateful to you for stressing the importance of adequate Accident and Sickness protection.

THE TRAVELERS INSURANCE COMPANY
HARTFORD, CONNECTICUT

Ask Industry Comments on Broader Underwriting Power

Commissioner Taylor of Oregon, who is chairman of the subcommittee of National Assn. of Insurance Commissioners appointed to study the possibility of extending underwriting powers of casualty companies to include group life and of life companies to include workmen's compensation, has written to the casualty and life organizations announcing a meeting of his committee at the annual meeting of N.A.I.C. at Swampscott, Mass., in June. The industry will be asked whether a problem

exists which warrants consideration by N.A.I.C. and Mr. Taylor is soliciting comments before the meeting.

At the N.A.I.C. meeting in December, ex-commissioner Harrington of Massachusetts argued that both life and casualty companies should be allowed broader underwriting powers so as to make available a social security plan type of coverage by both kinds of companies.

Joe Moddrell Jr., local agent at Wichita, is Sedgwick county chairman for the fund campaign of American Heart Assn.



Will Wright TALKS ABOUT SELLING

*Let's call a spade a spade
and dig—*

Whatever we devise in the way of new coverages—however wisely we use the words "comprehensive," "extended," "deductible"—there is no new device which can service the public, the agent, or the company as well as an honest selling effort.

Will Wright
FIELD CORRESPONDENT

THE YORKSHIRE
INSURANCE CO. LTD.
SEABOARD
FIRE & MARINE INSURANCE
COMPANY OF NEW YORK
THE YORKSHIRE
INDEMNITY CO. OF NEW YORK

90 JOHN STREET
NEW YORK 7, NEW YORK

1886—OVER A HALF CENTURY OF SERVICE—1951

The North American Accident Insurance Co.

209 So. LaSalle St., Chicago, Illinois

We write every practical form of Life, Accident, Health, Hospitalization and Medical Expense Insurance.

District Managers and Representatives WANTED

Geo. F. Manzelmann, President

A GOOD YEAR TO CONNECT WITH A GOOD COMPANY

Indiana Senate Gets Report on Auto Company Practices; Recommendations Made

Seven recommendations on governing conduct of companies writing automobile insurance in Indiana has been submitted to the state senate in a report on operating methods of companies in Indiana. The report, which was two years in the making, advocates power to revoke company licenses for "shady practices," its author stating, "It's about time something is done to get at some of these insurance companies who engage in shady practices."

Several flagrant violations of insurance principles and ethics were mentioned, although no company names were given.

The recommendations are: Companies shall pay in full judgments taken against policyholders not later than 30 days after final judgment or the time when appealing judgments expire.

All companies shall make a reasonable investigation of all claims where there is a possible liability on the part of insured and claim files shall indicate the nature and extent of investigation.

Require Minimum Standard

Companies shall be required to file a minimum standard (or more comprehensive) form of policy with respect to property damage and public liability.

Companies shall be required to establish adequate claims departments with proper facilities for adjustment and investigation whether such functions are done by employees or independent agencies.

The practice of some companies of forcing claimants to look to their own insurance companies for payment would be prohibited.

Companies would be prohibited from compensating any person by any service fee, bonus, contingency or other basis when such remuneration is conditioned upon underwriting loss ratio of the agent, as long as the agent is permitted to adjust or settle property damage claims.

The commissioner would be granted authority to suspend or revoke licenses for companies engaging in practices which are unconscionable or inimical or injurious to the people without respect to whether such practices constitute unfair trade practices or tend to cause financial instability.

FTC Sees Improvement

WASHINGTON—The annual report of the federal trade commission for fiscal year 1950 states: "A considerable volume of advertising material of organizations engaged in the interstate promotion and sale of insurance by mail was subjected to careful examination after promulgation of the industry rules Feb. 3, 1950."

"Substantial progress is being made toward the discontinuance of affirmative misrepresentations in advertising respecting coverage and benefits, as well as misrepresentation through failure to disclose material facts relative to reductions, limitations, and exceptions contained in policies."

"Through cooperation extended by many industry members, much progress has been made in eliminating use of statements in advertising which in and of themselves are not actually false, but which by implication may be confusing and misleading to prospective purchasers of insurance."

May Up N. Y. Taxi Minimum

The assembly of the New York legislature passed a bill doubling minimum liability cover for taxicabs to \$5/10 and property damage from \$1,000 to \$5,000. This would bring the requirement on taxicabs up to the financial responsibility requirement on private passenger cars. The strong vote indicated that this time the bill has a good chance of passing.

Ind. Bills Call for "Comp" Changes; Compulsory Auto Cover; No Death Limit

Among the bills before the Indiana legislature is one to abolish the \$15,000 wrongful death limit in favor of no ceiling. The last legislature boosted the figure from \$10,000 to \$15,000.

Another bill would increase attorney fees in workmen's compensation cases. All fees would have to be paid by the employer, and where there is an appeal, the attorney would get a fee equal to half the amount allowed the injured workman.

Worker May Hire Doctors

Another workmen's compensation measure would allow an injured workman to hire two doctors of his choice to make examinations, the employer being required to pay up to \$100 for this.

All property damage suits, according to another bill, should provide that the fee for the attorneys would be fixed by the court and become part of the judgment.

Compulsory automobile insurance is advocated in another measure, owners being required to show evidence of insurance before getting a driver's license or registration plate.

Another automobile bill would make owners and drivers responsible for guests.

Awarded European Trips

Five employees of Employers Liability have been selected to take company-sponsored trips to Europe and the head office in England later this year. This method of rewarding deserving personnel is an annual custom dating back to 1930, on the occasion of the company's 50th anniversary.

Those scheduled to make trips are: Teresa McGoldrick, executive secretary to the resident manager of the middle department; Eugene R. Walker, superintendent of the home office actuarial and statistical department; Thomas A. Reese, assistant resident manager of the Pacific Coast department; William H. Bright, senior underwriter, New England department, and Lawrence I. Templeman, manager of the New York agency and production department.

Each was selected on the basis of several factors including loyalty, enthusiasm, ability, application to work, initiative and cooperation. The entire staff of Employers throughout the country was considered before the final choices were announced. Apart from a stipulation requiring those who make the trip to visit the London office, the rest of the time is free from company supervision, giving an opportunity to take individual trips to the Continent if desired.

No Bankers L. & C. Rehearing

DES MOINES—The Iowa supreme court has refused to grant a rehearing in the Bankers Life & Casualty suit against Commissioner Alexander. The supreme court last December held that the commissioner had the authority to revoke the license of the company and its agents for misleading advertising and ordered that the case be tried on its merits in Polk county district court. District Judge Franklin had ruled the commissioner did not have the authority to revoke the licenses and did not try the case to determine whether the advertising was misleading. The use of the words, "White Cross Plan," by the company is involved in the case.

Two Groups Hear SS Talk

S. C. Brennan, Wichita manager of the social security administration, spoke at the regular meeting at Wichita of Sunflower Blue Goose and Wichita Assn. of Insurance Agents. He explained the recent changes in the social security act. Of considerable interest to the agents was the discussion on new provisions for the self-employed.

COMPENSATION

Senate Kills Montana State Fund Compensation Bill

The Montana senate compensation committee has recommended "do not pass" a bill which would have in effect established a state workmen's compensation fund, and has given a similar recommendation to a companion measure which would have required companies to pay all costs of appeals or hearings under certain conditions. A subcommittee was appointed to give further consideration to another bill setting \$1 million as a minimum capital for companies doing compensation business.

The public hearing on the three bills brought out that they were aimed in part at a single company, Idaho Compensation.

The sponsor of the bill which would require \$1 million capital, or restriction of risks to an amount not exceeding 10% of paid-up capital without regard to any reinsurance contract if capital is less, admitted that he was aiming at Idaho Compensation, stating that the company has assumed risks on major construction projects in the state in excess of what assets specify.

Walter Coombs, chairman of the industrial accident board, said his department has been forced to add two employees to process complaints against Idaho Compensation.

The proponents of the state fund consisted chiefly of labor representatives who contended there should be no profit earned on human misery. The labor spokesman said that labor might make it a condition of employment that workmen's compensation be carried either by self-insurance or in a state fund.

Perry Taft, San Francisco manager of Assn. of Casualty & Surety Companies, pointed out that Montana is one of three states having three plans available. States that started only with state funds later changed over to permit writing by private companies.

Would Up Ind. W.C. Benefits

The Indiana house labor committee has recommended passage of a bill to increase workmen's compensation benefits from 55 to 60% of weekly wages and raise the number of weeks such benefits are payable from 350 to 500.

File Retrospective Arguments

Arguments against the adoption of retrospective rating for California were presented in writing before the Feb. 1 deadline by California Casualty Indemnity Exchange, Guarantee of Los Angeles, Industrial Indemnity, Pacific Indemnity, Pacific Employers, United Pacific, California Assn. of Insurance Agents and the state compensation fund. Advocates of the plan have 30 days to file their answers.

Ohio Managers to Hear Vorys

Ohio Assn. of Casualty & Surety Managers will meet at Columbus the evening of Feb. 19. Arthur I. Vorys, counsel for the association, will discuss legislative matters.

Commercial Standard Record

Commercial Standard in 1930 had the largest premium volume in its history, the figure being \$8,600,000 on a gross basis. Surplus to policyholders increased by about \$220,000 to approximately \$2,250,000.

Offers New Hospital-Surgical Plan

Wisconsin National Life has brought out a new hospital and surgical franchise group plan. The surgical section is an adaptation of the Wisconsin plan sponsored by Wisconsin Medical Society, and is being made available in all states. The hospital plan provides limits of \$5, \$6 or \$7 a day to an aggregate of \$200, \$240 or \$280, including miscellaneous ex-

penses. The surgical schedule has a \$150 maximum, and the rates for an applicant and one family member are \$4.50 monthly for \$5 hospital room and board to \$5.55 a month for \$7.

L.I.A.M.A. A. & H. Parley Set

A. & H. writing companies of Life Insurance Agency Management Assn. will meet April 9-10 at the Drake hotel, Chicago. The sessions will be devoted exclusively to the agency end of the business.

Beam Message on Liability Cover at Housewives

"You Can't Afford to Be Sued" is the title of an article by Willis Lindquist in the March issue of "Today's Woman," a magazine for young wives. This deals with the family's need for comprehensive personal liability coverage. A variety of typical and out of the ordinary liability verdicts are cited and the bodily injury, property damage and legal defense elements of the protection are explained.

In connection with the legal protec-

tion, the author quotes Ralph E. Richman, vice-president of the National Underwriter, saying:

"When a person is sued or being threatened with suit, he needs legal aid immediately. Many home owners and renters fail to recognize that they need this stand-by protection."

Buyers to Hear Bohlinger


Superintendent Bohlinger of the New York department will speak May 24 at the meeting of Risk Research Institute at New York City.



**Like F&D,
he SPECIALIZES**

DACTYLOSCOPIST

To him, fingerprints are signatures;
in their whorls, loops and arches
he reads the identity of the burglar,
the murderer, the thief. Criminals
are pointed out by their own fingers,
thanks to this specialist.



In insurance production, as in police work, the "man on the scene" seldom can be an expert in all the phases of his work. He can, however, have specialized assistance on call.

For over 60 years, F&D has specialized in fidelity and surety bonds. Fifty field offices, located strategically throughout the country, are staffed with bonding experts—men ready to act quickly and authoritatively when summoned.

More than 9,000 F&D representatives are writing profitable amounts of fidelity and surety business—with greater ease—because of F&D's know-how and on-the-spot sales co-operation. Other insurance producers with an eye to increasing their bonding income will find F&D's specialized facilities worth investigating.



FIDELITY AND SURETY BONDS
BURGLARY, AND OTHER NEEDED
FORMS OF INSURANCE

FIDELITY AND DEPOSIT COMPANY
Baltimore Maryland

AFFILIATE: AMERICAN BONDING COMPANY OF BALTIMORE



ACCIDENT COVERAGE FOR PEOPLE PAST SIXTY

Don't pass up this business!

Accidents are a constant threat to older people who have lost the firm step of youth. Yet, at this age when they need it most, protection against accidents is hardest to obtain.

Many agents and brokers, unable to secure coverage of this type through ordinary sources, have added mate-

rially to their premium incomes by writing the Over Age Accident Contract.

It covers death, dismemberment and weekly indemnity or death separately. Full details will be sent on request.

Underwritten by Lloyd's of London

*** R. N. CRAWFORD & CO., Inc. ***

120 So. La Salle St., Chicago. Tel. RAndolph 6-0750

CASUALTY • FIDELITY • SURETY

*Excess Contracts and
Reinsurance Treaties*

**Security Mutual
Casualty Company**

HOME OFFICE
309 West Jackson Boulevard
CHICAGO 6, ILLINOIS

NEW YORK OFFICE
79 John Street
NEW YORK 7, NEW YORK

H. & A. GROUP PANEL

Terms Castastrophe Only True Insurance in Medical Field

George W. Jacobson galvanized those attending the panel on supplementary benefits during the annual group meeting of H. & A. Underwriters Conference at Chicago by defining group catastrophic coverage as the only coverage in the hospital and medical bill field which can really be called insurance. He characterized coverage of ordinary hospital and medical bills as so subject to human variables as to be impossible of real actuarial treatment. Once the insurance companies and the public realize that under ordinary hospital and medical insurance, the insured is merely exchanging dollars and that in absorbing these smaller bills he is doing nothing that his own budgeting couldn't do, then it will be realized that it is the major catastrophes in the medical and health field which are the only contingencies which really need to be insured against, Mr. Jacobson said. The average group-insured for hospital and medical payments could post-pay through savings what he is now prepaying through quasi-insurance and it is only where the insurance plan is tied with the agencies which provided the medical and hospital services that the insured can effect much of a saving on his smaller bills. According to Mr. Jacobson, who is secretary-treasurer of Group Health Mutual of St. Paul, the deductible group medical catastrophe coverage of his company is an answer. This insurance is offered with a deductible usually of between \$200 and \$300 and a maximum amount of \$1,500 or \$3,000, depending on the incomes of the assured. It can be extended to the family of the wage earner.

Group Polio Survey

Much interest was shown in a group polio cover survey conducted by Washington National which was described by the assistant secretary of that company, Robert S. Finley. Washington National circularized with a questionnaire six companies in the group polio field, a representative group from the point of size and geographic operation.

Washington National asked if the companies had a limit on the number of lives they would insure. All of the companies use the customary state group limitations. The questionnaire asked if the companies lower the rate with the number of persons insured. All of the companies answered that they use a uniform rate.

It was developed that all companies require the employee to be covered if his dependents are to have the polio coverage. The companies establish limits of \$1,500 and \$5,000 and three years from the inception of the disease. All of the companies questioned make the benefits payable in lieu of other group insurance payments.

On the matter of treatment of reserves for polio insurance, considerable variety was shown. Two of the companies do not charge losses to the experience of the group questioned. Two companies charge experience to the group in question and one company could not answer while the other company is considering pooling all group polio experience.

To the question whether or not group polio experience has been profitable, only one of the companies has yet segregated the losses to the extent of gaining a picture in this field and the loss ratio has been satisfactory. The other companies suspect that it has not been satisfactory.

None of the companies surveyed included or intended to include dread diseases in addition to polio group coverages. They feel there is little sales or public value to such coverage.

Carl R. Ashman, administration manager and actuary of the group depart-

ment of Lincoln National, was panel chairman and had to fill in on the subject of excess blanket accident coverage for F. M. Walters, superintendent of the A. & H. department of General Accident, who was unable to be present. Mr. Ashman said the experience of his company with four groups on the west coast with excess blanket coverage had been very stable. Lincoln National demands that the insured have hospital and surgical expense coverage in order to be eligible for the group excess.

George C. Johnson, group insurance coordinator for Hardware Mutual Casualty, described the group diagnostic x-ray cover with which his company has had considerable success. He said there is a strong need for such coverage because ordinary group covers do not pay for anesthetic and laboratory tests and x-rays on an out-patient basis. The company offers this insurance in the form of a rider on other group and has found it particularly good on small risks. The company sets benefits at a stipulated maximum of \$25, \$35, and \$50. It has been found that on groups of 25 or less especially this diagnostic coverage cuts out abuse of hospital expense cover for such testing.

Morton Miller, assistant actuary of Equitable Society, said that the cost of comprehensive medical expense benefits is what keeps this coverage from being widespread. Mr. Miller praised the work of the Health Insurance Council as a spokesman to the public and the doctors. He reported that doctors commonly have been baffled in attempts to come to grips with any definite or representative group in the insurance business, and this association helps in this regard.

Speakers on the final afternoon were Paul S. Fisher, superintendent of the association group division of Continental Casualty on trade and professional association groups, and S. L. Horman, vice-president of Time, on franchise insurance. Registration on the final day of the meetings reached 255.

**INSURANCE
to FIT the
NEED**



CHURCH BURGLARY

✓ Most churches are easily entered and ransacked by even the amateur burglar. They usually contain valuable equipment and some money to attract burglars. Church officials are well aware of the hazard.

✓ Because "Shelby" agents offer needed protection at attractive rates they have placed a good volume of such business. Our help in figuring a quotation and presenting the proposition to church boards simplifies your selling.

The
**SHELBY MUTUAL
CASUALTY COMPANY**
of SHELBY, OHIO

AMERICA'S OLDEST MULTIPLE LINE CASUALTY MUTUAL

**Sw
the
Ren**

A s
renewa
of to
term
on the
ing in
standp
in reac
on the
are son
present
if the e
as net p
though
been p
large
which
earned.
that so
been pu
in this
There
nection
gives th
ing" th
at mul
than "a
year to
what a
Oklaho
"renew
effect a
place h
this ma
rate tha
was ori
tension
original
through
These
addition
now the
this kin
gan.

**Sterlin
Famil**

Purch
which v
let for
Chicago
acted on
Chicago
If appro
into Ste
Famil
of Dec.
plus of
proxima
to prov
Club to
insuran
hospital
discontin
tion, am
taken ov
Contin
terly div
1 to sto

Lawre
torney, a
Monday
as comp
in claim

Bills
would r
pensatio
the emp

John I
secretary
Assn. o
who was
New Y
years of
activity,
Towner
rean in
when it
with Sur
1947 bec
its three
ficers.

Swing Is Seen to the Annual Renewal Plan

A swing to the use of the annual renewal or annual extension plan instead of to the installment payment of the term premium is in evidence these days on the part of companies that are entering into this field from a defensive standpoint. One important consideration in reaching this decision is the fact that on the installment payment basis, there are some large distortions involved in presenting annual figures. For instance, if the entire five-year premium is treated as net premium written in any year, even though only the first-year premium has been paid, then there will be a very large net premium written account which will far outshadow the premiums earned. There seems to be evidence that some of the companies that have been pushing this plan aggressively are in this position.

There is also a tendency in this connection to use an endorsement that gives the assured the option of "extending" the insurance from year to year at multiples of the term rate rather than "renewing" the insurance from year to year. That is influenced somewhat at least by the decision of the Oklahoma commissioner that under the "renewal" wording, the legal rate in effect at the time that the renewal takes place has to be charged, even though this may be higher or lower than the rate that was in effect when the policy was originally written. Where the "extension" wording is used, however, the original rate may be continued in effect throughout the entire five-year period.

These plans are being introduced by additional companies in new areas. Just now there is a rapid development of this kind in Indiana and western Michigan.

Sterling to Take Over Family Life of Chicago

Purchase of Family Life of Chicago, which was organized in 1946 as an outlet for A. & H. business written on Chicago Motor Club members, will be acted on by stockholders of Sterling of Chicago at a special meeting March 1. If approved, Family Life will be merged into Sterling.

Family Life is a stock company. As of Dec. 1, 1950, it had capital and surplus of \$442,000 and total assets of approximately \$600,000. The company was to provide facilities for Chicago Motor Club to write A. & H., hospital and life insurance, but writings were confined to hospitalization. Chicago Motor Club is discontinuing the writing of hospitalization, and the present business will be taken over by Sterling.

Continental Casualty has voted a quarterly dividend of 50 cents payable March 1 to stock of record Feb. 15.

Lawrence D. Stanley, Columbus attorney, addressed Columbus Claims Club Monday on the merits of stenographic as compared with narrative statements in claim investigation.

Bills in the Minnesota legislature would require all attorney fees in compensation insurance cases to be paid by the employer.

John L. Kirkwood, secretary of Surety Assn. of America, who was honored at New York for 35 years of association activity, started with Towner Rating Bureau in 1916 and when it was merged with Surety Assn. in 1947 became one of its three elected officers.



Seek to Revamp Va. Auto Rates Upward on Average

RICHMOND—A petition has been filed with Virginia corporation commission by National Bureau of Casualty Underwriters and Mutual Insurance Rating Bureau seeking an average statewide increase of 3.5% in auto B.I. rates and 6.8% on P.D.L. rates for private passenger cars. A hearing has been set for April 3.

In addition, the petition seeks to establish a premium rate for automobiles

driven by those under 25 years of age. The petition asks inauguration of a new class to include all individually-owned cars where there is an operator under 25, whether such cars are used for business or pleasure. The new rates in this class add \$1 to the regular rates for B.I. and 50 cents for P.D.L.

For most trucks, the proposed rates would mean an average statewide increase of 6.2% for P.D.L., but a decrease of 6.2% for B. I.

The petition also proposes revision of rates for nonownership types of insurance and for hearses, school buses and

some hired cars. Rates for B.I. in these classes are reduced. For P.D.L., the rates are increased except for nonownership.

Insurance Square Club of New Jersey will hold a meeting at Newark Feb. 19 at which time plans will be announced for the annual entertainment and dance April 27.

Henry I. Schweppe of the marine department of Automobile has been elected president of the Family Service Society of Hartford.

If you are a U. S. F. & G. agent
YOU ARE THIS MAN!
This advertisement, one of a series
promoting good will for U.S.F. & G.
Agents, appears in these magazines:
TIME • BUSINESS WEEK • NATION'S BUSINESS
and WALL STREET JOURNAL



This Man is one of your most faithful employees

You pay him no salary, no retainer, no commission. But he is constantly at work to protect you from loss. This man provides safe, adequate protection for your business . . . your home and property.

This man is your local insurance agent . . . your friend.

Frequently he must work long hours analyzing your peculiar problem and planning the right insurance coverage for you. Consult him today and let him give you the full benefit of his specialized knowledge of insurance protection.

For claim service in an emergency, call Western Union by number and ask for Operator 25, who has the name and address of your nearest U.S.F. & G. Agent.

...The **U.S.F. & G.**...

CONSULT YOUR INSURANCE
AGENT OR BROKER AS YOU WOULD
YOUR DOCTOR OR LAWYER

United States Fidelity & Guaranty Company, Baltimore 3, Md.

Fidelity & Guaranty Insurance Corporation, Baltimore 3, Md.

Fidelity Insurance Company of Canada, Toronto

errors and omissions

professional
liability
cover
for...

accountants
architects
insurance brokers
and others

BOWES
& company inc.

Insurance

135 so. la salle st. 57 william street
chicago 3, illinois new york 5, n. y.

UNITED STATES CASUALTY COMPANY

Casualty



Surety

HOME OFFICE:

60 John Street

New York

NEWS OF THE CASUALTY COMPANIES

Harleysville Mutual Adds Three New Coverages

Harleysville Mutual Casualty has entered the workmen's compensation, burglary, and plate glass fields. Coverage in each is standard.

The company is active in seven states and the District of Columbia, but will limit coverage in the new lines temporarily to Pennsylvania.

Trinity Universal Reports

The 1950 premiums of Trinity Universal were \$14,920,098, and assets as of Dec. 31 total \$21,397,211. Surplus to policyholders amounted to \$4,459,390. The company is now observing its 25th year and is licensed in 26 states.

Surplus in the following company reports refers to surplus to policyholders.
Abington Mutual Fire, Mass.—Assets, \$1,404,747, incr., \$224,073. Loss res., \$58,857. Unearned prem., \$747,539. Surplus, \$568,228, incr., \$57,068.

| | Premiums | Losses |
|------------------------|----------|----------|
| | Earned | Incurred |
| Fire | 429,868 | 132,445 |
| Ext. coverage | 55,537 | 45,678 |
| Torn., wind., hail | 6,131 | 7,907 |
| Sprinkler & water dam. | 903 | 185 |
| Expl., riot, etc. | 106 | 18 |
| Earthquake | 139 | ..... |
| Inland marine | 169 | 7 |
| Auto phys. damage | 148,185 | 66,883 |
| Totals | 640,038 | 253,124 |

Affiliated F. M., R. L.—Assets, \$2,117,760, incr., \$190,813. Loss res., \$3,961. Unearned prem., \$114,383. Capital, \$500,000. Surplus, \$1,932,352, incr., \$6,637.

| | Premiums | Losses |
|---------------|----------|----------|
| | Earned | Incurred |
| Fire | 78,596 | 3,442 |
| Ext. coverage | 8,515 | 1,467 |
| Earthquake | 120 | ..... |
| Totals | 87,231 | 4,909 |

Alliance Mutual Cas.—Assets, \$1,594,340, incr., \$307,641. Loss res., \$248,104. Unearned prem., \$607,976. Surplus, \$600,738, incr., \$138,188.

| | Premiums | Losses |
|-----------------------|-----------|----------|
| | Earned | Incurred |
| Fire | 57,274 | 22,471 |
| Ext. coverage | 17,969 | 12,080 |
| Torn., wind., hail | 2,211 | 1,921 |
| Inland marine | 198 | —19 |
| Accident | 2,581 | 2,135 |
| Health | 4,652 | 4,952 |
| Workmen's comp. | 6,819 | 2,986 |
| Liability (not auto) | 5,969 | 4,183 |
| Auto liability | 262,238 | 82,996 |
| Auto prop. damage | 132,556 | 70,703 |
| Auto phys. damage | 581,875 | 211,088 |
| Prop. dam. (not auto) | 2,802 | 2,575 |
| Fidelity | 2,723 | 150 |
| Surety | 1,519 | 1,150 |
| Glass | 6,203 | 5,049 |
| Club livestock | 1,607 | 1,165 |
| Excess catastrophe | 2,400 | 10,274 |
| Totals | 1,091,596 | 435,860 |

American Bonding Co.—Assets, \$3,348,834, incr., \$92,394. Capital, \$1,000,000. Surplus, \$2,716,999, incr., \$109,343.

Arrow Mutual Lab., Mass.—Assets, \$1,465,406, incr., \$53,606. Capital, \$112,723. Surplus, \$307,743, decr., \$181,351.

| | Premiums | Losses |
|----------------------|----------|----------|
| | Earned | Incurred |
| Workmen's comp. | 575,948 | 505,970 |
| Liability (not auto) | 5,870 | —1,839 |
| Totals | 581,818 | 504,131 |

Farmers Mutual Hail, In.—Assets, \$9,097,928, incr., \$493,475. Loss res., \$594,359. Unearned prem., \$1,541,956. Surplus, \$6,404,535, incr., \$558,794.

| | Premiums | Losses |
|------------------------|-----------|-----------|
| | Earned | Incurred |
| Fire | 447,225 | 211,032 |
| Ext. coverage | 84,315 | 103,372 |
| Torn., wind., hail | 321,872 | 530,744 |
| Sprinkler & water dam. | 175 | 58 |
| Expl., riot, etc. | 33 | 10 |
| Earthquake | 55 | 18 |
| Crop-hail | 3,814,673 | 1,849,799 |
| Inland marine | 30,570 | 8,611 |
| Aircraft phys. damage | 35 | 12 |
| Liability (not auto) | 2,454 | 903 |
| Auto liability | 489,941 | 223,175 |
| Auto prop. damage | 419,662 | 245,861 |
| Auto phys. damage | 712,662 | 312,933 |
| Auto medical | 49,775 | 32,797 |
| Excess loss reln. | 118,087 | 190,333 |
| Totals | 6,491,534 | 3,709,658 |

Federated Mutual Implement & Hardware—Assets, \$19,828,443, incr., \$1,659,389. Loss res., \$2,300,257. Unearned prem., \$10,423,025. Surplus, \$5,649,725, incr., \$402,924.

| | Premiums | Losses |
|---------------------------|------------|-----------|
| | Earned | Incurred |
| Fire | 7,378,340 | 2,272,920 |
| Ext. coverage | 1,199,299 | 538,878 |
| Torn., wind., hail | 16,673 | 3,776 |
| Sprinkler & water dam. | 7,476 | 1,758 |
| Expl., riot, etc. | 339 | ..... |
| Earthquake | 3,052 | ..... |
| Inland marine | 202,897 | 47,254 |
| Personal property floater | 96,375 | 43,788 |
| Aircraft phys. damage | 371 | ..... |
| Group A. & H. | 566,481 | 577,034 |
| Workmen's comp. | 949,293 | 572,519 |
| Liability (not auto) | 131,066 | 31,159 |
| Auto liability | 1,036,358 | 414,559 |
| Auto prop. damage | 557,781 | 348,860 |
| Auto phys. damage | 1,712,578 | 600,088 |
| Prop. dam. (not auto) | 35,901 | 7,369 |
| Glass | 55,607 | 26,110 |
| Burglary & theft | 41,558 | 19,674 |
| Excess reinsurance | —12,087 | 92,838 |
| Totals | 13,979,468 | 5,498,591 |

Fidelity & Deposit—Assets, \$49,375,224, incr., \$1,607,499. Loss res., \$5,278,165. Un-

| | Premiums | Losses |
|---|------------|-----------|
| | Earned | Incurred |
| earned prem., \$15,147,205. Capital, \$3,000,000. | | |
| Surplus, \$23,336,434, incr., \$2,125,051. | | |
| Personal property floater | 1,578,878 | 943,295 |
| Liability (not auto) | 64,533 | 47,248 |
| Fidelity | 5,809,306 | 1,647,642 |
| Surety | 6,576,625 | 475,089 |
| Glass | 589,816 | 235,016 |
| Burglary & theft | 2,367,579 | 727,755 |
| Totals | 16,966,740 | 4,058,048 |

Fidelity & Guaranty—Assets, \$37,212,572, incr., \$5,532,255. Loss res., \$2,698,342. Unearned prem., \$29,532,719. Capital, \$2,000,000. Surplus, \$12,007,860, incr., \$1,660,191.

| | Premiums | Losses |
|------------------------|------------|-----------|
| | Earned | Incurred |
| Fire | 7,711,592 | 3,037,819 |
| Ext. coverage | 1,912,465 | 1,239,093 |
| Torn., wind., hail | 64,853 | 44,025 |
| Sprinkler & water dam. | 23,136 | 4,648 |
| Expl., riot, etc. | 14,655 | 4 |
| Earthquake | 18,809 | —12 |
| Ocean marine | —10 | —3,732 |
| Inland marine | 1,445,038 | 653,726 |
| Aircraft phys. damage | 96,465 | 33,492 |
| Auto phys. damage | 8,317,652 | 3,427,040 |
| Flood | 173 | ..... |
| Totals | 19,604,828 | 8,436,102 |

Firemen's Mutual, R. I.—Assets, \$30,877,324, incr., \$3,493,899. Loss res., \$1,922,750. Unearned prem., \$14,864,637. Surplus, \$12,705,164, incr., \$731,689.

| | Premiums | Losses |
|-------------------|------------|-----------|
| | Earned | Incurred |
| Fire | 10,326,295 | 2,804,325 |
| Ext. coverage | 566 | ..... |
| Expl., riot, etc. | 103 | ..... |
| Totals | 10,326,966 | 2,804,325 |

Government Employees—Assets, \$11,114,545, incr., \$1,932,731. Loss res., \$1,717,377. Unearned prem., \$4,191,850. Capital, \$700,000. Surplus, \$3,632,207, incr., \$760,187.

| | Premiums | Losses |
|-------------------|-----------|-----------|
| | Earned | Incurred |
| Auto liability | 2,331,216 | 1,188,304 |
| Auto prop. damage | 1,409,794 | 768,614 |
| Auto phys. damage | 3,596,017 | 1,578,869 |
| Totals | 7,337,127 | 3,532,787 |

Hardware Dealers Mut. Fire, Wis.—Assets, \$21,628,065, incr., \$1,140,479. Loss res., \$974,720. Unearned prem., \$11,214,258. Guaranty fund, \$200,000. Surplus, \$7,663,596, incr., \$1,079,497.

| | Premiums | Losses |
|------------------------|------------|-----------|
| | Earned | Incurred |
| Fire | 7,720,156 | 1,887,863 |
| Ext. coverage | 1,735,625 | 1,164,702 |
| Torn., wind., hail | 7,580 | 13,597 |
| Sprinkler & water dam. | 6,881 | 885 |
| Expl., riot, etc. | 5,154 | 105 |
| Earthquake | 4,210 | ..... |
| Inland marine | 308,350 | 143,178 |
| Aircraft phys. damage | 2 | ..... |
| Auto phys. damage | 1,243,266 | 577,582 |
| Excess reins. | —96,408 | —51,665 |
| Totals | 10,934,817 | 3,536,251 |

Hardware Mutual Cas.—Assets, \$45,053,830, incr., \$4,201,290. Loss res., \$17,300,834. Un-

casualty, fire
automobile and surety
reinsurance
catastrophe
excess of loss
treaty and specific

Specialty covers including:

steam boiler excess
fleets, motor cargo
aggregate excess

EXCESS UNDERWRITERS inc.

90 John St., New York

Chicago office Insurance Exchange Bldg.

San Francisco office 233 Sansome St.

REINSURANCE UNDERWRITERS

INCORPORATED
OTIS CLARK, President

Complete facilities in
the domestic and
London Markets

155 MONTGOMERY STREET • SAN FRANCISCO
101 SOUTH BURLINGTON • LOS ANGELES

| Premiums | Losses |
|---|------------|
| Earned | Incurred |
| earned prem., \$14,100,751. Guaranty fund, \$1,600,000. Surplus, \$6,905,204. Incr., \$101,082. | |
| Accident | 65,877 |
| Health | 517,732 |
| Group A. & H. | 2,887,482 |
| Workmen's comp. | 9,030,597 |
| Liability (not auto) .. | 1,398,230 |
| Auto liability | 9,974,081 |
| Auto prop. damage | 5,111,038 |
| Auto phys. damage | 6,405,752 |
| Prop. dam. (not auto) .. | 415,398 |
| Glass | 401,909 |
| Burglary & theft | 341,164 |
| Excess reinsurance | 68,698 |
| Totals | 36,617,957 |

| Premiums | Losses |
|--|-----------|
| Earned | Incurred |
| Inter-Ocean Reins.—Assets, \$9,748,295. Incr., \$1,359,454. Loss res., \$1,030,251. Unearned prem., \$5,296,405. Capital, \$1,000,000. Surplus, \$2,991,104. Incr., \$217,915. | |
| Fire | 2,274,063 |
| Ext. coverage | 609,596 |
| Torn., wind., hall | 56,829 |
| Sprinkler & water dam. | 5,693 |
| Expl., riot, etc. | 1,920 |
| Earthquake | 12,564 |
| Crop-hail | 290,332 |
| Ocean marine | 118,852 |
| Inland marine | 178,770 |
| Aircraft phys. damage | 1,458 |
| Auto phys. damage | 102,280 |
| Totals | 4,649,357 |

| Premiums | Losses |
|---|-----------|
| Earned | Incurred |
| Millers Mutual Fire, Tex.—Assets, \$5,031,973. Incr., \$964,415. Loss res., \$223,329. Unearned prem., \$2,649,333. Surplus, \$1,642,810. Incr., \$425,208. | |
| Fire | 1,483,668 |
| Ext. coverage | 482,213 |
| Torn., wind., hall | 65,968 |
| Sprinkler & water dam. | 671 |
| Expl., riot, etc. | 1,411 |
| Earthquake | —20 |
| Inland marine | 17,170 |
| Auto phys. damage | 676,871 |
| Use & occupancy | 1,439 |
| Rents | 979 |
| Excess coverage | 38,719 |
| Totals | 2,769,089 |

| Premiums | Losses |
|---|-----------|
| Earned | Incurred |
| Mutual Benefit Fire, Pa.—Assets, \$769,728. Incr., \$215,498. Loss res., \$30,501. Unearned prem., \$289,426. Capital, \$183,250. Surplus, \$439,677. Incr., \$146,654. | |
| Fire | 47,268 |
| Ext. coverage | 11,387 |
| Torn., wind., hall | 65,968 |
| Sprinkler & water dam. | 671 |
| Expl., riot, etc. | 1,411 |
| Earthquake | —20 |
| Inland marine | 17,170 |
| Auto phys. damage | 676,871 |
| Use & occupancy | 1,439 |
| Rents | 979 |
| Excess coverage | 38,719 |
| Totals | 2,769,089 |

| Premiums | Losses |
|--|------------|
| Earned | Incurred |
| National Surety—Assets, \$49,998,380. Incr., \$4,049,360. Loss res., \$7,213,300. Unearned prem., \$14,308,775. Capital, \$7,500,000. Surplus, \$25,444,776. Incr., \$2,345,658. | |
| Group A. & H. | 1,345 |
| Workmen's comp. | 1,963,386 |
| Liability (not auto) .. | 705,749 |
| Auto liability | 2,208,193 |
| Auto prop. damage | 1,201,304 |
| Prop. dam. (not auto) .. | 191,632 |
| Fidelity | 3,876,660 |
| Surety | 4,655,721 |
| Glass | 340,909 |
| Burglary & theft | 3,534,618 |
| Totals | 18,679,517 |

| Premiums | Losses |
|--|-----------|
| Earned | Incurred |
| National Surety Marine—Assets, \$5,905,090. Incr., \$624,287. Loss res., \$465,441. Unearned prem., \$2,747,325. Capital, \$1,000,000. Surplus, \$2,253,013. Incr., \$213,493. | |
| Inland marine | 1,887,727 |
| Auto phys. damage | 1,558,748 |
| Water damage | 2,622 |
| Totals | 3,449,098 |

| Premiums | Losses |
|--|----------|
| Earned | Incurred |
| Pan American Cas.—Assets, \$1,462,062. Incr., \$114,342. Loss res., \$236,775. Unearned prem., \$526,554. Capital, \$300,000. Surplus, \$629,461. Incr., \$59,683. | |
| Inland marine | 8,406 |
| Workmen's comp. | 94,957 |
| Liability (not auto) .. | 50,407 |
| Auto liability | 243,293 |
| Auto prop. damage | 171,007 |
| Auto phys. damage | 270,161 |
| Prop. dam. (not auto) .. | 54,190 |
| Fidelity | 9 |
| Surety | 12,832 |
| Glass | 401 |
| Totals | 905,663 |

| Premiums | Losses |
|---|-----------|
| Earned | Incurred |
| Preferred Mutual Fire, N. Y.—Assets, \$2,835,090. Incr., \$419,771. Loss res., \$71,651. Unearned prem., \$1,319,722. Surplus, \$1,171,402. Incr., \$2,909. | |
| Fire | 640,613 |
| Ext. coverage | 88,070 |
| Torn., wind., hall | 632 |
| Sprinkler & water dam. | 1,648 |
| Inland marine | 8,860 |
| Auto phys. damage | 320,974 |
| Totals | 1,060,803 |

| Premiums | Losses |
|---|----------|
| Earned | Incurred |
| Republic Indemnity, Ohio—Assets, \$1,003,848. Incr., \$113,659. Loss res., \$195,104. Unearned prem., \$343,687. Capital, \$100,000. Surplus, \$315,370. Incr., \$32,101. | |
| Accident | 112 |
| Liability (not auto) .. | 17,477 |
| Auto liability | 152,779 |
| Auto prop. damage | 168,525 |
| Auto phys. damage | 332,222 |
| Prop. dam. (not auto) .. | 8,288 |
| Glass | 474 |
| Burglary & theft | 3,661 |
| Medical (not auto) .. | 566 |
| Collision | 22 |
| Change in installments .. | —3,249 |
| Totals | 680,662 |

| Premiums | Losses |
|--|----------|
| Earned | Incurred |
| Selected Risks Fire—Assets, \$781,867. Incr., \$43,138. Loss res., \$43,700. Unearned prem., \$190,139. Capital, \$200,000. Surplus, \$513,109. Incr., \$20,827. | |
| Fire | 44,582 |
| Ext. coverage | 3,009 |
| Auto phys. damage | 248,941 |
| Totals | 296,532 |

| Premiums | Losses |
|---|-----------|
| Earned | Incurred |
| Selected Risks Indemnity—Assets, \$5,295,472. Incr., \$288,059. Loss res., \$1,629,855. Unearned prem., \$1,438,616. Capital, \$600,000. Surplus, \$1,893,986. Incr., \$89,354. | |
| Workmen's comp. | 501,846 |
| Liability (not auto) .. | 55,170 |
| Auto liability | 1,311,354 |

| Premiums | Losses |
|--------------------------|-----------|
| Earned | Incurred |
| Auto prop. damage | 781,401 |
| Auto phys. damage | 510,397 |
| Prop. dam. (not auto) .. | 15,628 |
| Totals | 2,995,796 |

| Premiums | Losses |
|--|-----------|
| Earned | Incurred |
| Service Mutual, Texas—Assets, \$1,920,096. Incr., \$101,248. Loss res., \$464,589. Unearned prem., \$807,881. Surplus, \$429,283. Incr., \$15,886. | |
| Fire | 207,884 |
| Ext. coverage | 73,628 |
| Inland marine | 18,578 |
| Auto fire | 50,474 |
| Auto theft | 8,553 |
| Workmen's comp. | 631,844 |
| Liability (not auto) .. | 66,723 |
| Auto liability | 293,556 |
| Auto prop. damage | 181,114 |
| Prop. dam. (not auto) .. | 30,612 |
| Auto medical | 12,491 |
| Auto comprehensive | 56,018 |
| Glass | 6,936 |
| Auto tornado | 5,604 |
| Auto collision | 220,160 |
| Totals | 1,864,175 |

| Premiums | Losses |
|---|-----------|
| Earned | Incurred |
| Shelby Mutual Cas.—Assets, \$10,835,368. Incr., \$1,571,212. Loss res., \$2,082,420. Unearned prem., \$4,859,920. Surplus, \$2,331,557. Incr., \$454,599. | |
| Workmen's comp. | 425,372 |
| Liability (not auto) .. | 528,775 |
| Auto liability | 2,981,089 |
| Auto prop. damage | 1,759,737 |
| Auto phys. damage | 1,519,613 |
| Prop. dam. (not auto) .. | 99,861 |
| Glass | 624,899 |
| Burglary & theft | 255,680 |
| False arrest | 7,458 |
| Totals | 8,502,484 |

| Premiums | Losses |
|--|----------|
| Earned | Incurred |
| Southern Fire & Cas.—Assets, \$2,735,578. Incr., \$241,341. Loss res., \$456,423. Unearned prem., \$1,000,872. Capital, \$300,000. Surplus, \$907,796. Incr., \$207,155. | |
| Fire | 124,420 |
| Ext. coverage | 27,892 |
| Torn., wind., hall | 1,653 |
| Inland marine | 1,705 |

| Premiums | Losses |
|--------------------------|-----------|
| Earned | Incurred |
| Workmen's comp. | 128,557 |
| Liability (not auto) .. | 22,243 |
| Auto liability | 703,058 |
| Auto prop. damage | 383,989 |
| Auto phys. damage | 457,273 |
| Prop. dam. (not auto) .. | 6,117 |
| Totals | 1,856,907 |

| Premiums | Losses |
|--|------------|
| Earned | Incurred |
| State Auto Mutual, O.—Assets, \$25,225,473. Incr., \$2,845,550. Loss res., \$2,941,010. Unearned prem., \$6,831,954. Surplus, \$9,373,962. Incr., \$1,213,483. | |
| Auto theft | 67,996 |
| Auto Wind | 8,301 |
| Auto comprehensive | 1,358,401 |
| Cargo | 6,204 |
| Liability (not auto) .. | 217,192 |
| Auto liability | 4,315,815 |
| Auto prop. damage | 2,031,308 |
| Auto collision | 2,749,326 |
| Prop. dam. (not auto) .. | 86,507 |
| Fidelity | 2,065 |
| Glass | 36,981 |
| Burglary & theft | 72,755 |
| Misc. | 4,467 |
| Road service | 20,832 |
| Auto fire | 159,228 |
| Totals | 13,137,378 |

| Premiums | Losses |
|---|-----------|
| Earned | Incurred |
| Town Mutual Dwelling, Ia.—Assets, \$3,411,746. Incr., \$151,790. Loss res., \$122,001. Unearned prem., \$1,884,903. Surplus, \$1,325,574. Incr., \$116,733. | |
| Fire | 738,837 |
| Ext. coverage | 557,891 |
| Torn., wind., hall | 23,448 |
| Ex. reins. (participating) .. | 84,306 |
| Excess catas. reins. | —18,751 |
| Ex. of loss ratio reins. | —60,407 |
| Totals | 1,325,324 |

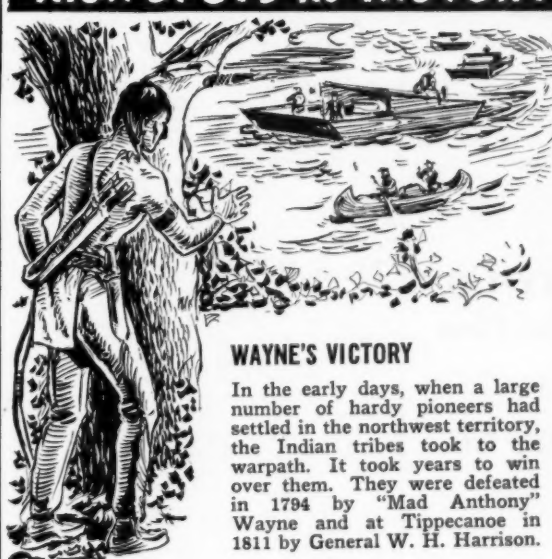
| Premiums | Losses |
|--|-----------|
| Earned | Incurred |
| Western Surety—Assets, \$4,060,563. Incr., \$326,840. Loss res., \$515,108. Unearned prem., \$1,222,935. Capital, \$1,000,000. Surplus, \$1,222,935. Incr., \$133,910. | |
| Workmen's comp. | 586,457 |
| Fidelity | 327,035 |
| Surety | 1,071,572 |
| Totals | 1,985,065 |

Fla. Listings Under Non-Admitted Law Given

The "Insur-Agent" of Florida Assn. of Insurance Agents has published a list of companies qualified under the Florida non-admitted carriers law, and also a list of companies that have been disapproved. Those qualified are American Universal of Rhode Island, Andrew Weir, English & American, Granger Mutual of Middletown, Md., London Lloyds and Newfoundland American. Companies disapproved are British Commonwealth, Compania Continental de Seguros, Enterprise Mutual Fire, Exchange Insurance Assn. of Chicago, Farmers & Merchants Mutual Fire of St. Louis, Guaranty Fire & Marine of South Carolina, La Commercial of Havana, Liberty Bell Mutual Fire, London, Amsterdam & Zurich Assurance group, which is identified as being located at Chicago; Valley Forge Mutual Fire, Insurance Co. of Maryland, Midwest of Indianapolis, Anglo-Saxon Insurance Assn., World Auxiliary, Dominion, London & Edinburgh and Prudential Assurance.

Hartford County Claim Adjusters Assn. held "past presidents' evening" at its February meeting at Hartford. Each of the past presidents gave a short talk.

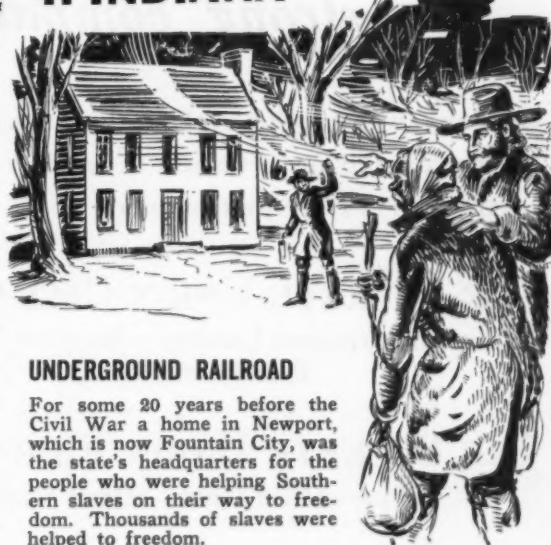
HIGH SPOTS IN HISTORY



WAYNE'S VICTORY

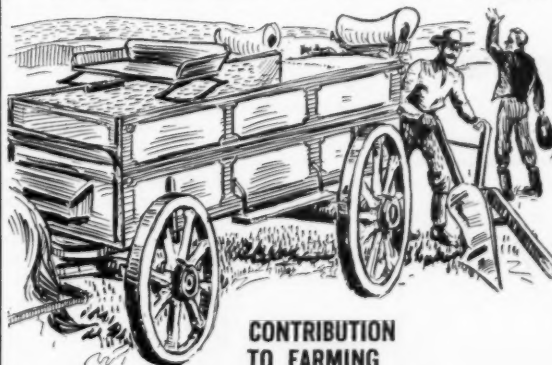
In the early days, when a large number of hardy pioneers had settled in the northwest territory, the Indian tribes took to the warpath. It took years to win over them. They were defeated in 1794 by "Mad Anthony" Wayne and at Tippecanoe in 1811 by General W. H. Harrison.

4: INDIANA



UNDERGROUND RAILROAD

For some 20 years before the Civil War a home in Newport, which is now Fountain City, was the state's headquarters for the people who were helping Southern slaves on their way to freedom. Thousands of slaves were helped to freedom.



CONTRIBUTION TO FARMING

The Studebaker brothers of South Bend started to build farm wagons and prairie schooners in 1852. Not many years later a plow made of steel was invented by James Oliver.

ALWAYS A HIGH SPOT

. . . . to every agent is when he joins Hawkeye-Security & Industrial.

These agents know every service is provided to help them step up production . . . providing service without red tape . . . prompt, equitable settlement of claims . . . and home office representatives always at their service.



HAWKEYE-SECURITY INSURANCE CO.
INDUSTRIAL INSURANCE CO.

Des Moines, Iowa

Comment on Replacement Cost Cover Problem

W. J. Montgomery, Kansas City, vice-president and general manager Bruce Dodson & Co., who was formerly vice-president of Associated Reciprocal Exchanges at New York, writes as follows about the discussion in THE NATIONAL UNDERWRITER of Jan. 25 on the desirability of replacement cost insurance where property is of a type on which rebuilding might not be permitted because of government restrictions:

"I was interested in the statement in the article on replacement insurance: 'Most replacement cost insurance then in force was written by groups such as Associated Factory Mutuals on sprinklered factories.'

"Replacement value insurance was first adopted by the management of the Associated Reciprocal Exchanges in New York in 1934. It was written almost exclusively by them until about 1942 or 1943, when the New York Fire Insurance Exchange adopted regulations for this coverage. The idea was not entirely ours but was suggested by similar coverage in England, but we developed the first forms and made the first general practical use of it in this country.

"To my knowledge, the Factory Mutuals did not begin writing it actively until 1945. They have done a fine job at it, of course, but they did not originate the idea of this coverage and they were not writing it during the past war, to the best of my knowledge, except in occasional instances where the Associated Reciprocal Exchanges had introduced the subject in competition with them.

"The reciprocal form never did contain any limitation as to the time re-

quired to repair or replace the property, and it seems reasonable to assume that even under forms that do contain such a restriction, if the building is not actually replaced, then there would be a premium refund on the contract in force, due the assured.

"We think the practice of limiting the time required to replace should be accompanied by a provision for this pro rata return of premium for the full term on the basis of the difference between the present value and the replacement value under any contract relieved of such obligation, although we think the normal fair-minded attitude of practically all insurance carriers would lead them to this action in such a situation, whether or not the provision was in the contract.

"During the war we did not have many experiences with total losses where the replacement value clause was involved, but in every partial loss where such coverage was provided the insured never failed to have the building repaired and replaced and the full amount of cost thereof paid to him.

"Occasionally there was some delay due to priorities, but we found that most going concerns had an economic value of importance to the life and welfare of the community that was recognized by the control authorities and justified granting the privilege to effect the repairs or rebuilding, notwithstanding that some delay was involved. Certainly conditions at this time are not as severe as they were in the war period, and it is folly, in our opinion, to suggest that this coverage should not be sold because collection might not be realized. Furthermore, as indicated above, I doubt if any insured would ever actually lose in this situation in any event because I believe most insurance carriers would make a refund of the premium if it became apparent that they were not going to be called upon to meet their obligation under the contract because of conditions over which the insured had no control."

Mass. Hearing Held

At a hearing before the Massachusetts legislature's insurance committee Rep. Palmer of Somerville and C. F. J. Harrington spoke in favor of Palmer's bill that would compel the companies to pay producers commissions on assigned risks, workmen's compensation and automobile. They argued that the rate includes a factor for commissions.

Producers oppose the bill, according to Benjamin B. Priest, general counsel of Insurance Federation of Massachusetts, because they don't want to take this step toward legislative control of commissions. Companies are trying to work out a satisfactory method of paying producers on such risks, he said.

Also discussed was a bill to change the cancellation clause of the standard fire policy and double limits to 10/20 for compulsory auto liability. In 1949 only 100 auto liability verdicts in the state exceeded the present 5/10 limits, Mr. Harrington said. Sen. Conte of Pittsfield, chairman of the committee, said his law firm secured a \$90,000 verdict against an insurance man who carried 5/10. Increased rates for 10/20 would be considerably more than present rates for the additional cover purchased in addition to statutory limits, it was said.

\$400,000 L. I. Verdict

A Brooklyn supreme court jury awarded \$400,000 to Vincent Burgess, a Long Island hotel waiter, for injuries he received in the Long Island railroad wreck near Rockville Centre, L. I., a year ago. Witnesses said he would be a life long invalid.

A newspaper account stated at the time of the Pennsylvania Railroad wreck at Woodbridge, N. J., the Long Island had paid out \$1,650,000 in claims as a result of the Rockville Centre wreck in which 33 were killed and about 100 injured. The Long Island has \$50 million in suits from the Richmond Hill wreck last Thanksgiving.

Convention Dates

Feb. 19-21, American Management Assn. Insurance seminars, Hotel Roosevelt, New York.

Feb. 26-28, Zone 4 rating organizations of N.A.I.C., State Office Building, Chicago.

Feb. 27, Pittsburgh Insurance Day, William Penn Hotel.

Feb. 27-28, Zone 5 of N.A.I.C., Cosmopolitan Hotel, Denver.

March 1-2, A. & H. rate study sub-committee of N.A.I.C., State Office Building, Chicago.

March 12-13, Midwest Territorial Conference of N.A.I.C., Peabody Hotel, Memphis.

March 28-30, Chief examiners of Zone 4 of N.A.I.C., Hotel Savary, Des Moines.

March 29-30, Zone 4 of N.A.I.C., Hotel Savary, Des Moines.

March 29-31, National Assn. of Surety Bond Producers, annual, and National Assn. of Casualty & Surety Agents, midyear, Shamrock Hotel, Houston.

April 2, Uniform accounting sub-committee of N.A.I.C., Commodore Hotel, New York.

April 1-2, Insurance Advertising Conference, spring meeting, New York.

April 2-4, Far West Agents Conference of N.A.I.A., St. Francis Hotel, San Francisco.

April 2-5, Blanks committee of N.A.I.C., New York.

April 5-7, Southern Territorial Conference of N.A.I.A., Palm Beach Biltmore Hotel, Palm Beach, Fla.

April 9-11, Western Underwriters Assn., annual, Pence deLeon Hotel, St. Augustine, Fla.

April 10-11, Zone 3 of N.A.I.C., Roosevelt Hotel, New Orleans.

April 10-11, Minnesota Agents, midyear, Radisson Hotel, Minneapolis.

April 13-14, Rocky Mountain Territorial Conference of N.A.I.A., Broadmoor Hotel, Colorado Springs.

April 16-18, Eastern Territorial Conference of N.A.I.A., and State National Directors of N.A.I.A., midyear, Hotel Statler, New York.

April 29-May 2, Zone 2 of N.A.I.C., Francis Marion Hotel, Charleston, S. C.

May 2-4, Louisiana Agents, annual, Edgewater Gulf Hotel, Edgewater Park, Miss.

May 3-5, North Carolina Agents, annual, Carolina Hotel, Pinehurst.

May 9-11, Alabama Agents, annual, Battle House, Mobile.

May 10-11, Casualty Actuarial Society, annual, Seaview Country Club, Absecon, N. J.

May 14-15, Oklahoma Agents, annual, Skirvin Hotel, Oklahoma City.

May 14-16, Insurance Accounting and Statistical Assn., Palmer House, Chicago.

May 14-16, Health & Accident Underwriters Conference, annual, Detroit.

May 17, Midwestern Independent Statistical Assn., annual, Hotel La Salle, Chicago.

June 3-6, National Assn. of Insurance Commissioners, annual, New Ocean House, Swampscott, Mass.

June 7-9, National Assn. of Independent Insurance Adjusters, annual, Baker Hotel, Dallas.

June 10-13, International Assn. of A. & H. Underwriters, annual, Dallas.

June 11-13, American Assn. of Managing General Agents, annual, Glenwood Springs, Denver.

June 13-14, Tennessee Fire Underwriters Assn., annual, Gatlinburg, Tenn.

June 19-21, Michigan Fire Underwriters Assn., annual, Ramona Park Hotel, Harbor Springs.

June 24-26, New England Assns. of Insurance Agents, summer meeting, Poland Spring, Me.

Aug. 23-24, Oregon Agents, annual, Baker.

Aug. 20-22, West Virginia Agents, annual, Greenbrier, White Sulphur Springs.

Sept. 10-12, International Claim Assn., annual, Monmouth Hotel, Spring Lake, N. J.

Sept. 10-13, National Assn. of Insurance Agents, annual, Stevens Hotel, Chicago.

Sept. 10-13, National Assn. of Independent Insurers, annual, Hotel Stevens, Chicago.

Sept. 17-18, Utah Agents, annual, Hotel Newhouse, Salt Lake City.

Sept. 30-Oct. 4, National Assn. of Mutual Insurance Companies and Federation of Mutual Fire Insurance Companies, Hotel Statler, Detroit.

Oct. 1-3, Conference of Mutual Casualty Companies, annual, Hotel Statler, Detroit.

Oct. 5-6, Colorado Agents, annual, Broadmoor Hotel, Colorado Springs.

Oct. 21-22, Ohio Agents, annual, Cincinnati.

Oct. 29-31, Bureau of A. & H. Underwriters, annual, Homestead, Hot Springs, Va.

BUCKEYE UNION

means

two strong companies

...strong in their belief in the American Agency System

...strong in prompt settlement of claims

...strong in field service to agents

THE BUCKEYE UNION CASUALTY CO.

Automobile—General Liability—Burglary—Plate Glass
Fidelity and Surety

THE BUCKEYE UNION FIRE INS. CO.

Fire—Allied Lines—Inland Marine

Capital Stock Insurance Companies operating in Ohio,
Indiana, Pennsylvania, Michigan and Kentucky

HOME OFFICES: 515 EAST BROAD STREET,

COLUMBUS, OHIO

REINSURANCE Agency Inc.

175 W. JACKSON BLVD.
CHICAGO 4, ILLINOIS
Tel. WAbash 2-7515

SERVING COMPANIES, AGENTS, BROKERS
REINSURANCE, EXCESS OR DIRECT COVERS

ALL CLASSES

DOMESTIC AND AT LLOYDS

Andrew J. Helmick, Pres.
Shirley K. Breckenridge, Secy.

Thomas C. Anderson, Vice-Pres.
Robert W. Worth, Treas.

War Crisis Challenges Ingenuity of Office Managers

The effect that war will have on office management was discussed by Max K. Doehler, Jr., personnel manager for Bruce Dodson & Co., Kansas City, Mo., and E. A. Rule, assistant treasurer of Farm Bureau, Columbus, O., in the January edition of "Office Executive."

Successful administrators will spend more time on planning and less time on detail work, according to Mr. Rule. Organization structure will be set up so that the best possible use can be made of available executive timber. Objectives will be set and authority defined. Responsibilities will be established and success rewarded. Ability will have a chance to show its true colors and well managed offices will go forward in spite of rapidly mounting obstacles.

Offices that suffer the least from the personnel shortage will be those which made the best possible use of whatever administrative manpower is available, he said. Failure to provide good management will result in work breakdowns although the lack of clerical workers will probably carry the blame.

The key to resolving managerial problems will be better supervision, training and increased employee participation in working out kinks, Mr. Doehler commented. Increasing war demands will give an opportunity to devise ways or doing better work at a lower cost and with fewer people. This, he pointed out, can be accomplished through a simplification of procedures, flow of work, scheduling and greater use of office machines and improved employee relations.

In the February edition of the same magazine, C. H. Dent, Hardware Mutuals, Stevens Point, Wis., advocated for each office the establishment of work procedure manuals which would contain the principal rules and procedures for each job in the office. Such a manual would obviate possible work tieups if employees leave.

According to Mr. Dent, no office is too small to start preparing procedure manuals and the best time to start is while the office staff is small. A detailed study of each operation is also helpful in eliminating unnecessary steps, combining related steps and rearranging some steps in more logical order.

Field Men Address Women

Fred P. Mersinger, Home, president of the Syracuse Field Club, addressed Utica Insurance Women's Assn. on proposed changes to simplify the typing of fire insurance policies and how to avoid errors and criticisms in writing them.

Members of the Syracuse Field Club will give a series of addresses to the Utica women on the premium dollar—what it buys; the story behind National Board and Underwriters Laboratories; home office operations and procedure on underwriting, losses and accounting.

Eagle Ontario President

TORONTO—Fred C. Eagle of Hamilton has been elected president of Ontario Insurance Agents Assn. Vice-presidents include Rod Philpot, Fort William; F. E. Coyne, Welland, and Harold A. Smith.

Carl E. Seibert, retiring president, urged greater uniformity in policies regarding coverage of television aerials. He suggested that the companies should get together on handling smoke or smudge damage losses caused by space heaters. He indicated support for the move for revision of the statutory conditions in the standard fire policy.

Adopt New Code of Ethics

St. Louis Assn. of A. & H. Underwriters has a new statement of principles and agency practice code, intended to secure a higher quality of business and to assure improved morale and improved relations of its members.

Okla. Regional at Okmulgee

Prospective legislation that would have an influence on insurance was discussed at a regional meeting of Oklahoma Assn. of Insurance Agents at Okmulgee. James A. Nevins of Okmulgee gave the chief talk on legislation. H. T. Moran, president, gave a short talk intended to awaken agents to the need of action.

President Ben G. Harned of the Okmulgee association was in charge of arrangements.

John S. Andrews, insurance supervisor Owens-Corning Fiberglass Corp., of Toledo, has been named administrative assistant to the president. He started with Travelers in 1940, attended the home office training school, and worked for Travelers at Detroit and Toledo. Following service in the air force, he joined Owens-Corning in 1946.

Los Angeles Insurance Women, at their dinner meeting Feb. 20, will hear Attorney L. McQuitty talk on "Wills." Frances Gray, public relations chairman, will preside at a round table discussion.

Insurance Women of Lincoln, Neb., entertained their bosses with a dinner. Alexander McDonough, manager at Omaha of Travelers, spoke on the misunderstandings people have about liability insurance.

National Board Has Report on Cotton Fire Losses

Because of growing concern over mounting cotton fire losses in recent years, the National Board has issued a 34-page research report on the causes and prevention of cotton fires.

Based upon two extensive field surveys conducted during the peak ginning periods of the 1948 and 1949 seasons, the report is entitled "Survey on Causes and Prevention of Cotton Fires." The publication points out that: "Cotton appears to be destined as a critical material" because of unfavorable weather conditions in part of the cotton belt during 1950 and because of strong demands resulting from the Korean war and world unrest.

Fires, which destroyed the output of nearly 200,000 acres of productive farmland during the 1945-1946 cotton season, with a dollar loss estimated at \$17 million, could cause a more severe shortage if they continue as in recent years, the report notes.

Among the leading causes of these fires were careless smoking, poor house-keeping in cotton gin yards, sparks caused by foreign matter mixed in with cotton, static electricity, incinerators used in waste disposal, lack of a safe

loading pattern in box-cars, and defective tie-bands.

Another hazard is the so-called "fire-packed bale," which may smoulder and burn for a long period of time before bursting into flame and causing wide destruction.

The study was made with the cooperation of Cotton Fire & Marine Underwriters, Cotton Insurance Associates, Cotton Warehouse Assn. and South-Eastern Underwriters Assn. Copies are available from the National Board, 85 John street, New York.

W. C. Volume Off

Workmen's compensation for the direct writers is somewhat off in volume as compared with 1949, according to some of the companies. This may be because at the end of 1949 the companies received an increase in premium on payroll audit, and on the basis of this indicated rise in employment received more deposit premium for 1950. However, the audits through 1950 have been off. There had not been the increase in employment last year that occurred in 1949 as compared with 1948.

The Harry E. James agency of Jacksonville, Fla., has taken over the agency of James C. Darby & Son.



We know we are the best bonding company in the business—but we are too modest to mention it.

WESTERN SURETY COMPANY

One of America's Oldest Bonding Companies

175 West Jackson Blvd.
Chicago, Illinois

1700 Commerce St.
Dallas 1, Texas

Sioux Falls
South Dakota

21 West 10th Street
Kansas City 6, Mo.

ACCIDENT AND HEALTH

Book on Substandard A. & H. Is Now Off the Press

"Underwriting of Substandard Accident & Health Insurance," the new book by Roy A. MacDonald, is now off the press. It is published by the National Underwriter Co. and is available at any National Underwriter office at \$8.50 a copy.

Mr. MacDonald's book is the first major attempt by a qualified author to provide a constructive answer to the problem of impaired risks. He has devoted several years of original research to the subject, as a result of which he was awarded the fellowship of H. & A. Underwriters Conference Institute. The book contains some 900 classified impairments affecting A. & H. underwriting, it shows about 4,300 specific numer-

ical ratings recommended for use in considering impaired risks. Space has been provided for underwriters to add notations on their own experience or to make modifications.

San Antonio A. & H. Assn. Names Brussels President

San Antonio Assn. of A. & H. Underwriters has elected C. B. Brussels, Catto & Catto agency, president; Dave Pentecuff, Pacific Mutual Life, vice-president; J. P. Simon, Bernaud Insurance Service, reelected secretary, and Carl Moore, Great American Reserve, treasurer. New directors are O. D. Harlan, O. D. Harlan agency; W. D. Bacon, Occidental Life; William Borden, American Hospital & Life, and Irwin Saam, Pacific Mutual.

E. C. Cox of the A. & H. department of the C. B. Erwin companies spoke.

B.M.A. Officials at Wichita

W. T. Grant, chairman, and C. E. Barricklow, assistant to the vice-president, were among the home office representatives attending the annual conference of the Bert A. Hedges agency of Business Men's Assurance for northern Oklahoma and Kansas at Wichita.

Mr. Hedges, who suffered serious injuries in an auto accident near Joplin last fall, appeared without his cane, which only recently had replaced his crutches. He was confined to a Joplin hospital for several weeks.

Bixby to Great Southwest

Rex Bixby has joined the executive staff of Great Southwest Life of Phoenix. The company did not specify his exact title or duties. Mr. Bixby in the past 30 years has served in many capacities in the life insurance business and at one time was with Aetna Life at Little Rock. He was for two years supervisor of agencies for Bankers Reserve Life and later was an executive of several other companies. Recently he has been doing management consultation work for life companies. He has concentrated largely in the A. & H. field.

Disability Bill in W. Va.

A bill has been introduced in the West Virginia house to provide disability benefit payments for non-occupational illnesses or accidents.

Hold K. C. Congress April 13

A. & H. Underwriters Assn. of Kansas City will hold its sales congress April 13. Wylie Craig, Aetna Life general agent, is association president. At the meeting Feb. 9, Bert A. Hedges, Wichita, Kansas, manager for Business Men's Assurance, was the speaker.

Ohio Annual Meeting Set

Ohio Assn. of A. & H. Underwriters will hold its annual meeting April 20 at Columbus. C. William O'Neill, Ohio's new attorney general, will be the banquet speaker.

Training Sessions in Mich.

More than 150 agents attended a sales training session at Flint, Mich., sponsored by Michigan Assn. of A. & H. Underwriters. Speakers included Mayor Paul Lovegrove, Wesley J. A. Jones, executive secretary International association; Carl A. Ernst, North American L. & C., St. Paul, International vice-president; L. A. McKinnon, Flint, International board member, and C. Norman Green of Hoosier Casualty home office.

A similar clinic also was staged at Grand Rapids for western Michigan agents.

Detroit Sales Rally Feb. 16

Detroit A. & H. Assn. will conduct a sales congress and luncheon Feb. 16 at the Tuller hotel. The meeting will begin in the morning with a talk by

Wesley J. A. Jones, secretary of the International association, on "They're Fishing Without a License." Leonard McKinnon, Hoosier Casualty, a member of the International association executive board, will discuss public relations, and Carl A. Ernst, North American Life & Casualty Company, St. Paul, vice-president of International, will talk on "The Three S's in Selling."

No A. & H. Exam in Iowa

In passing a bill to require life agents to take an examination before receiving license, the lower house of the Iowa legislature struck out a provision for A. & H. agents, thus exempting them from taking the examination.

New Louisville Insurer

Republic Casualty of Louisville is a new company writing hospitalization and A. & H. President is Louis Gerstle, vice-president, Stephen S. Jones, secretary is P. Willett Hagan.

Mutual Benefit H. & A. has increased its deposit with the receiver-general of Canada for the protection of Canadian Policyholders to \$3,500,000.

Constitution Life has appointed Charles Harris sales manager at San Francisco. He will specialize in disability and hospitalization insurance.

Sixty agency managers of North American Life & Casualty attended a three-day conference at the home office at Minneapolis.

SURETY

Credit Assn. Work Told

LOS ANGELES—James Deane of Building Materials Dealers Credit Assn. told Surety Underwriters Assn. of Southern California of its work and the aid it can give the surety men. He declared that but 2% of insurers keep their contractors book up to date.

An educational course sponsored by Surety Assn. will open Feb. 26. Its speakers bureau group will hold bi-weekly luncheon meetings of an educational character, with E. S. Cunningham, Standard Accident, in charge. The association will hold its annual banquet April 20.

F. & D. on Cal. Highway Bond

California department of public works has awarded a contract to the Claude Fisher Co. for construction of a four-lane highway from Los Angeles to McFarland, Cal., at its bid of \$1,025,284. Fidelity & Deposit is on the bond.

Restitution Is Large

The fidelity loss in the \$87,000 defalcation of Leonard Timmerman, auditor of Northwestern Mutual Life, will amount to only about \$25,000, because Timmerman is making substantial restitution. He has already paid back more than \$60,000. He has admitted larceny of \$87,553. Northwestern Mutual has a \$500,000 bond. He started his campaign in 1947 and got going strong in 1949 and 1950. His salary was \$9,500, his work consisted of developing office routine and work planning methods. This enabled him to carry out his plan of arranging for the issuance of checks, and payment of fictitious installment payments. Then he would extract the checks and cash them through phony bank accounts that he had set up.

H. D. Bartlett Made Special

Harold D. Bartlett, Jr., has been appointed special agent for E. W. Shaw Co., Denver general agents. Mr. Bartlett, formerly an underwriter in the Denver office, will travel Colorado, Wyoming and New Mexico.

"THE ATLANTIC STORY"

Our story began in 1842 with the chartering of the Atlantic Mutual. The Centennial, a wholly owned stock company, was organized 100 years later. Today the story of the Atlantic Companies is briefly this:

- ★ Two financially strong companies, operating in the fire, marine and casualty fields under one management, offering producers the choice of participating or non-participating contracts.
- ★ A tradition of prompt and ungrudging claim settlements that goes back over a hundred years.
- ★ A progressive and flexible attitude toward new developments to provide better insurance for the public, combined with sound underwriting.
- ★ The conviction that the public is best served through the competent independent agent or broker, and the practice of telling the public about that conviction.

We shall be glad to send you "The Atlantic Story", an illustrated booklet filling in the above outline and containing a historical sketch and other useful information. Simply write or telephone any of our offices.

THE ATLANTIC COMPANIES

ATLANTIC MUTUAL • CENTENNIAL

Home Office: 49 Wall Street, New York 5

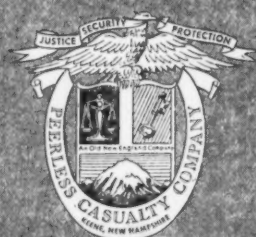
Baltimore • Boston • Chicago • Cincinnati • Cleveland • Dallas • Detroit
Grand Rapids • Houston • Los Angeles • Newark • New Haven • Oakland • Philadelphia
Pittsburgh • Portland • Richmond • St. Louis • San Francisco • Seattle • Syracuse

Marine, Fire, Inland Transportation, Yacht, Property Floaters, Automobile and Casualty Insurance

PEERLESS
Casualty Company

An Old New England Company

INCORPORATED 1901
KEENE, NEW HAMPSHIRE



REINSURANCES
FIDELITY AND SURETY BONDS
SPECIALIZED LINES AND EXCESS COVERS
CASUALTY AND LIABILITY LINES

CHANGES IN CASUALTY FIELD

National Surety Names Roth Chicago Assistant Manager

National Surety has appointed James E. Roth as assistant manager at Chicago.

Mr. Roth attended Northwestern University and entered insurance in 1936 with Marsh & McLennan at Chicago. He was with that organization until 1947 except for four years in the navy.

Mr. Roth joined National Surety in 1947 in the burglary and fidelity departments. In the past two years, he has been supervising the underwriting of burglary, marine, fidelity and bankers blanket bonds. He is a member of the executive committee of Burglary Underwriters' Assn. of Chicago.

Prentiss Now Associate Manager at Atlanta

Hartford Accident has appointed Robert J. Prentiss associate manager of the southern department.

Mr. Prentiss has been with Hartford since 1926 when he became special agent for Georgia. Four years later he became special agent for North Carolina, and in 1937 was made fidelity and surety field supervisor at Atlanta. Most recently he has been assistant manager of the southern department.

During the first war Mr. Prentiss served in the army. From 1919 to 1926, when he joined Hartford, he was a local agent.

J. R. Coulter Is Promoted

J. R. Coulter, for 14 years with the New Amsterdam claim office at Denver, has been named manager of the Milwaukee claim office.

Lind Named Denver Special

William F. Lind, Jr., formerly with Hawkeye Casualty, has been appointed special agent for Trinity Universal at Denver. Mr. Lind is an army veteran.

R. H. Condon Joins Insurors

Ralph H. Condon has joined Insurors Corp. of Dallas as casualty underwriting manager.

Mr. Condon has been in insurance for more than 25 years, most recently as a supervising underwriter at Chicago for New Amsterdam Casualty. Before that he spent 10 years at the home office of Continental Casualty and several years as insurance department manager for Chicago real estate and mortgage firms.

F. & D. Promotes at Detroit

C. A. Keith has been advanced from assistant manager to manager of Fidelity & Deposit at Detroit, and Joseph C. Russell and William B. Strobridge have been named assistant managers. John E. McCreahan, Jr., special agent, has been placed in charge at Grand Rapids, succeeding Mr. Russell there. George L. Bortz is resident vice-president at Detroit.

Mr. Keith has been with F. & D. at Detroit since 1937 when he started as a special agent. He was appointed assistant manager in 1944.

Mr. Russell joined F. & D. at Philadelphia as special agent in 1937, later serving in the same capacity at Pittsburgh and Detroit. He was named in charge at Grand Rapids in 1948.

Mr. Strobridge started as special agent at Boston in 1947, and later was named in charge of Des Moines. In 1948 he was transferred to Detroit as special agent.

Kerr Promoted by Maryland

Maryland Casualty has named John H. Kerr as assistant agency director.

Mr. Kerr joined Maryland in 1949 as manager of the education department.

Hartford Accident Makes Four Coast Field Changes

Hartford Accident has made four changes in the Pacific Coast field.

J. I. Bjerke, who has been special agent in western Washington, has resigned to join the Hull-Miller Co. at Yakima, and is replaced by Jack J. Carlsen, who has been at Phoenix, Ariz. Mr. Carlsen is a graduate of the University of California and was in the air force during the war. He started with Hartford Accident at San Francisco before going to Phoenix.

Charles F. Elsasser, special agent at San Francisco, has been transferred to Phoenix, replacing Mr. Carlsen. Mr. Elsasser was a navy lieutenant in the war, joining Hartford Accident after his service. He has been in the underwriting department at San Francisco. He is a graduate of the University of California.

Hilton A. Large has been appointed special agent for the bonding and burglary department in the San Francisco Bay area replacing Mr. Elsasser. A graduate of Stanford University, Mr.

Large served in the army and since the war has been with the Pacific department of Hartford Accident.

John L. Landt, special agent at Seattle, has had his field extended to take in eastern Washington and northern Idaho. Mr. Landt joined Hartford Accident in 1945 at Los Angeles and was transferred to Spokane in 1949 as casualty underwriter.

Joins Vanston & Co.

D. T. Grantham, who has resigned from Fidelity & Casualty as special agent for north Texas, has joined Barney Vanston & Co., Dallas general agents, and will supervise their automobile and casualty department for the entire state of Texas.

McCagg Made Director

George W. McCagg has been elected a director of Manufacturers Casualty and Manufacturers Fire. He was recently appointed vice-president and general manager of both companies.

Pieringer, Harris Rise

FORT WORTH—J. S. Pieringer, Jr., formerly secretary, has been elected vice-president and secretary of Com-

mercial Standard and Weldon H. Harris, former assistant secretary, was named vice-president. Mr. Harris has been with the organization 20 years and Mr. Pieringer 16 years.

Breckenridge to Detroit

George Breckenridge, who has been at the home office of Continental Casualty, has been transferred to Detroit as field man for inland marine and dishonesty lines.

Phoenix of Hartford has appointed George E. Rutter to organize its casualty operations in Canada.

Anthony C. Corrigan, chief of the division of elevator inspection Ohio department of industrial relations, has resigned to join Bankers Indemnity at Cleveland as a safety inspector.

Slate Adam for Vt. Regional

John Adam, New England manager of Central Manufacturers Mutual, will be the speaker at the Feb. 19 regional meeting at Barre of Vermont Assn. of Insurance Agents. Mr. Adam will speak on "Miscellaneous Fire Lines," and will deal principally with rent insurance and additional living expense.



CENTRAL SURETY AND INSURANCE CORPORATION

CONDENSED FINANCIAL STATEMENT, DECEMBER 31, 1950

| ASSETS | |
|--|------------------------|
| Cash (in banks and offices)..... | \$ 1,065,135.37 |
| Bonds: | |
| U. S. Government..... | \$ 6,003,244.09 |
| State, County and Municipal..... | 9,539,788.90 |
| Federal Banks..... | 110,000.00 |
| Total Bonds..... | \$15,653,032.99 |
| Central Surety Fire Corporation Stock..... | 602,499.41 |
| Total Bonds and Stocks..... | 16,255,532.40 |
| Uncollected Premiums (not over 90 days)..... | 1,502,317.04 |
| Accrued Interest on Investments..... | 94,120.47 |
| Other Assets..... | 54,614.06 |
| TOTAL ASSETS..... | \$18,971,719.34 |
| LIABILITIES | |
| Reserve for Claims..... | \$ 6,804,754.41 |
| Reserve for Unearned Premiums..... | 5,719,095.06 |
| Total Claim and Premium Reserves..... | \$12,523,849.47 |
| Reserve for Taxes and Other Liabilities..... | 829,226.91 |
| Total Reserves..... | \$13,353,076.38 |
| Capital..... | \$ 2,000,000.00 |
| Surplus..... | 3,618,642.96 |
| Surplus to Policyholders..... | 5,618,642.96 |
| TOTAL..... | \$18,971,719.34 |

Securities carried at \$1,190,703.23 in the above statement are deposited for purposes required by law.

Bonds are carried at amortized values. No bonds were in default either as to principal or interest at December 31, 1950.

HOME OFFICE KANSAS CITY, MISSOURI

R. E. MCGINNIS, President

CENTRAL SURETY PROTECTION Is Written Through Licensed Agents and Brokers Only

Skillful Work of Surety Is Told

(CONTINUED FROM PAGE 17)

to the agency that Mr. Lewis had absconded.

At Lewis' home in Brooklyn investigators found several days' supply of milk and newspapers at the front door. Their subsequent efforts disclosed that Mr. Lewis studied racing forms assiduously and that he had telephoned three overseas airlines. A check had been cashed in New York on what appeared to have been his last day in the metropolitan area. The weary job of reconstruction of Lewis' movements began. He had owned a car, a Lincoln, purchased about October 1, but a police check showed he had sold it November 14. Investigators questioned everyone acquainted with him, some 30 or 40 people.

Gradually the picture emerged. He had served jail terms. He was a draft evader, had had marital troubles, and had been involved in confidence games. There were quite a few ex-girl friends, one of whom he had jilted. It was through her that after weary weeks of work a break finally came.

Some Sections Too Hot

Mr. Lewis' previous operations had spoiled many parts of the country for further activities, and investigators finally figured he would be in Florida or the southwest, places he had not previously been caught in.

The ex-girl friend in New York knew he had an ex-girl friend in Texas. A Christmas card with the casual query, "Have you seen Paul lately?" brought immediate results. Yes, she had, a few days before. Lewis' wife and child were found living in Houston. He was, though his wife didn't know it, off on a spree at Palm Springs, Calif., with another woman. He was picked up there.

From Lewis' written confession and from talks investigators had with his

wife, they concluded that he was prompted to set up his scheme for taking the chef saw money because of marital problems, because he was paying back to the New York ex-girl friend money of which he had defrauded her and he had to live high. He was living high when he was with the advertising agency, though he was just getting started there. He was in debt to several loan companies.

Reach for \$140,000 Fails

He thought he had a system for beating the horses. He took the proceeds of the first check as a "loan" from the agency, hoping for a quick return. By November 9 he had lost \$50,000 and on that day, according to his confession, decided to splurge. At the racetrack he bet \$12,000 on Comet Boy, a long shot, enough to return him \$140,000 if the horse won. That would make him well. Comet Boy lost by a nose.

He was desperate. He was sick. He prevailed on his wife to go away with him and start over. With a changed name, a new Oldsmobile, and the proceeds of the last big agency check, he headed for Wichita. There his scheme to get in the restaurant business fell through and he ended up in Houston where he claims to have purchased a partnership in a real estate agency.

However, old habits, old predilections, old weaknesses could not be broken. Immediately he started involving himself in a familiar pattern of complications. He got tied up with another girl, bought a \$5,000 Cadillac and a \$2,000 Chevrolet. He gave his wife a mink stole and put down a \$2,000 deposit on the lease of a swanky home. He purchased \$5,000 worth of furniture. His bank account showed \$17,000 at the beginning of the month, \$3,000 at the end. He gave a third woman \$800 worth of

matched pieces of diamond jewelry. The woman with whom he was found in Palm Springs received \$1,000 from him "for spending money."

Even so, the surety was able to recover between \$15,000 and \$20,000 salvage, at last account.

To Discuss Community P.R.

At the Rocky Mountain Territorial Conference April 13-14 at Colorado Springs, J. Edwin Stein of Provo, president of Utah Assn. of Insurance Agents, and Houston Waring, editor of the Littleton (Colo.) Independent, recently honored as the "nation's outstanding and typically American weekly" by the State Department, will participate in the discussion of the agent's relations in his community.

Governor Thornton of Colorado will be invited to appear on the program.

Fail to O.K. New E.C. Form

New England Advisory Board, following discussion at a meeting at Boston, failed to approve the additional extended coverage endorsement sponsored by Insurance Executives Assn. Those at the meeting indicated they do not believe the new form will solve present underwriting problems.

It was announced that New England Assns. of Insurance Agents will hold their summer convention at Poland Spring, Me., June 24-26.

Hickey Reviews E.C. Change

William T. Hickey, manager of Travelers' Hartford branch, spoke at a luncheon of Insurance Board of Hartford on forthcoming changes in the extended coverage endorsement.

Ohio Towns Rerated

Ohio Inspection Bureau has announced changes in classifications of several cities in that state as follows: Tiffin, 5 to 4; Convoy, 8½ to 8; Bremen, 8 to 7; Frazeeburg, 8 to 7; New London, 8½ to 8; Fayetteville, 10 to 9. The rerating work in Tiffin required the efforts of the Toledo office of the bureau for several months.

American Ups Dividend

American has declared a dividend of 50c per share payable April 2, to stockholders of record March 1. Previous semi-annual dividends have been 45c.

Colo. Tax Change Loses

The lower house of the Colorado legislature has rejected a bill which would have restricted the 2% firemen's pension tax to business of out of state fire companies. It now applies to casualty premiums as well.

Arthur Johnson Slated

Arthur Johnson of Hartford Fire will give a talk on farm forms at a dinner meeting of Farm Examiners Club of Chicago Feb. 20. Mr. Johnson is chairman of the forms committee of Farm Underwriters Assn.

At the last meeting, Dennis C. Smith of Home, who is chairman of the agricultural committee of National Fire Waste Council, was the speaker. He said the modern mechanized farm calls for an improved technique in rural fire prevention and it is vital that rural fire protection be made available.

"Ad" Men to Hear Roddy

Whitney H. Roddy, Bloomfield, N. J., agent, will address the spring meeting of Insurance Advertising Conference at New York April 2. He will tell how advertising and public relations techniques have been employed in the development of his agency.

Plans for entertaining the regional conference of National Assn. of Insurance Women, March 17-18, were discussed at a meeting of Insurance Women of Wichita. Plans for the annual bosses dinner Feb. 19 also were considered.

Half of Eastern Storm Loss May Fall on Reinsurers

(CONTINUED FROM PAGE 3)

see a \$50 deductible on wind. They estimate that the cost of the storm to them would be 75% less if there had been a \$50 mandatory deductible in effect throughout the storm area. One estimate places at 500,000 the number of TV aerials damaged in the storm. At \$20 apiece, which is probably not too low, the total from this alone would be \$10 million. Nothing was figured in the basic E.C. rate for aerials—the cover was added for free.

Some underwriters think the factor for wind in E. C., which is 60 in New England and middle Atlantic and 90 in the south, should be revised upward after the 1950 experience. The factors are set out by Allied Lines Assn.

For some companies the Nov. 25 losses exceeded their total premium writings of E. C., which, it is said, never happened before.

Anti-Coercion Bill O.K.'d

The anti-coercion bill sponsored by Washington Assn. of Insurance Agents in the current legislature has been reported for passage by the house insurance committee.

Insurers of Omaha Elect

The Insurers of Omaha have elected new officers. President is Lee C. Brooks, Dunbar agency; first vice president, Kenneth F. Schenk, A. A. Westergard Co.; second vice president, Howard Kaplan, Grace-Mayer Co.; treasurer, Thomas A. Bryan, Western Securities Co.; secretary and educational consultant, Dr. E. M. Hosman, University of Omaha.

Inland Marine Parley

Hartford Fire has scheduled a meeting for its inland marine managers throughout the country at the Edgewater Beach hotel, Chicago, commencing March 18. The conference will be in charge of Assistant Secretary Michael Kelly.

Denver Educational Program

A series of casualty and surety classes is being sponsored by Denver Assn. of Insurance Agents at the Opportunity School there. Classes will be conducted by leading insurance authorities in the Rocky Mountain area.

Mutual Institute at Topeka

American Mutual Alliance will hold its institute for midwestern agents at Kansas City March 26-28 under the direction of Dr. George Haskell, educational director, Chicago. About 300 are expected to attend.

Seek New Col. License Law

A bill has been introduced in the Colorado legislature which would require that all new applicants for agents' licenses would be required to pass a written examination, supervised by the department.

Another bill would make liability insurance on all private passenger cars compulsory. It is patterned after the Massachusetts law. Necessity of such legislation has been questioned by Colorado insurance men, since the financial responsibility law now in force has been satisfactory.

Triangle Insurance Agency, general agents of Indianapolis, have moved to 615 North Delaware street. The Schwab agency and Universal Insurance Underwriters are also quartered at that address.

The Kirk Bros. & Co. agency of Topeka has moved to enlarged quarters at 102 N. Topeka boulevard, and the W. R. Kirk general agency, which has been located at the same address, on the second floor, will take over the ground floor there.

A Dependable Market for Difficult Lines

As agents of Underwriters at Lloyd's, London, we are enabled to furnish immediate binders, and our daily cable service expedites the placing of many unusual risks, such as the following:

Abstractors Liability
Accident and Sickness
Accountants Liability
Accounts Receivable
Automobile Liability and Property Damage
Aviation—Hull Liability and Accident
Boiler and Machinery
Bonds
Burglary
Chattel Mortgage Non-Recording
Collapse of Building
Contractors Equipment
Doctors Disability
Errors and Omissions
False Arrest
Fidelity Bonds
Film Producers Indemnity
Fire and Extended Coverage (Excess or Surplus)
Fire Legal Liability
Fire, Theft and Collision
Furriers Stock
Hail Insurance
Hand Disablement
Illinois Liquor Liability

Inland Marine
Malpractice Liability
Mortality—Livestock, Zoo Animals
Motor Truck Cargo
Non-Appearance
Ocean Marine
Oil Drilling Equipment
Personal Property Floaters
Products Liability
Professional Entertainers
Public Liability and Property Damage
Rain Insurance
Reinsurance—Facultative, Treaty
Replacement or Depreciation
Retrospective Rating
Riot, Civil Commotion, Vandalism
River Craft
Salesman's Floater
Suicide Waiver Insurance
Twin Insurance
Warehousemen's Legal Liability
Water Damage
Workmen's Compensation (Excess per Accident or Aggregate)

SERVICING AGENTS AND BROKERS EXCLUSIVELY

Newhouse and Hawley, Inc.

UNDERWRITERS

135 S. LaSalle St.
STate 2-1285
Teletype: CG-1026
CHICAGO

70 Pine St.
BOWling Green 9-0882
Teletype: NY 1-2823
NEW YORK

Loss

E 3)

l. They storm to there had ible in ea. One number storm. At not too would be ed in the he cover

ne factor in New and 90 in upward e factors ssn. Nov. 25 premium is said,

d

ored by e Agents been re- se insur-

ect

e elected Brooks, ent, Ken- gard Co.; Kaplan, omas A. ecretary r. E. M.

a meet- manag- ers Edge- omme- e will be Michael

ogram

ty classes Assn. of opportunity conducted es in the

eeka

will hold agents at nder the ill, educa- 360 are

w

l in the ould re- or agents' o pass a by the

bility in- ger cars after the of such by Colo- financial has been

, general moved to e Schwab e Under- that ad-

y of To- quarters at he W. R. has been on the e ground

Reference Guide to Law on Insurance Is Compiled

NEW YORK—The committee on insurance law of the Assn. of the Bar of the City of New York recently prepared a reference guide to insurance law, the efforts being directed by A. Alan Lane of the New York law firm of Lane, Winard, Robinson & Schorr. The guide first appeared in the record of the association and is now reprinted. Mr. Lane has received many requests from over the country for copies of the 25 page booklet, which is said to be the only modern compendium of sources of material on insurance law.

Mr. Lane points out that the role of the attorney in insurance has grown in stature with the realization by governments, both state and federal, of the need to protect the public. Almost every phase of insurance is regulated by statute today. Yet in most law schools insurance law is relegated to a minor position and the lawyer has to search for the material necessary to enable him to serve his client.

Mr. Lane then lists and describes briefly the treatises and digests on the subject, short texts, pamphlets, articles in law journals, speeches, annuals, periodicals and services.

There is great need for other publications in the insurance law field, he believes, to replace the prevalent antiquated works. Too many of the better treatises and texts deal with English law and are therefore of little value to the American attorney. The American treatises and texts need revision to meet current law conditions. There is also a need for more concise texts written for the practicing attorney rather than for the student. The widely separated fields of life and fire insurance particularly require more specialized texts due to their unique structure.

Would Double N. Y. Limits

A bill introduced in both houses of the New York legislature would double the auto liability coverage under the financial responsibility law, to 10/20. Sponsors are Sen. Condon, who heads the joint committee on insurance rates and regulation, and Assemblyman Rabin, who is a member of the committee.

Compulsory Bill in Del.

A bill has been introduced in the Delaware legislature to make auto liability cover compulsory.

Allaire Retires in Ohio

Thomas E. Allaire has retired as Ohio state agent of Millers National and is succeeded by Irving W. Abramson.

Collier F.U.A.P. Speaker

Leonard H. Collier, vice-president of American International Underwriters at San Francisco, will speak at the annual meeting of F.U.A.P. there March 7-8 on "Underwriting the Foreign Market." He was formerly casualty manager of A.I.U. at Manila and was interned by the Japanese during the war, joining the San Francisco office in 1945.

In Search of a Volunteer

WASHINGTON—Government maritime officials are reported looking for a volunteer to run the projected government war risk program and a possible marine insurance program for protection of shipping, on an "if, as and when" basis, in case hostilities begin among the "big four" powers.

Officials express doubt that Percy Chubb could be prevailed upon to serve again, as he did during the last war—not even on a "draft" basis—in view of the criticism in congressional quarters of the maritime commission and war shipping administration marine war-time programs.

Pending decision on a number of problems by maritime officials, Wash-

ington understands that marine underwriter interests are forming a group of domestic companies which group could be designated to act as underwriter agent for the government maritime set-up with the latter's approval.

Such an agent or agency would be called upon to issue binders on war risk coverage for shipping interests, to issue policies, collect premiums and otherwise transact government war risk business "when the time comes," officials say.

They add that issuance of war risk binders will be delayed until some of the problems referred to above are decided.

W. Va. Adjuster Licensing Bill

An adjusters licensing bill has been introduced in West Virginia and is attracting considerable interest.

Ask Cover After One Accident

Connecticut's legislative council is again recommending to the 1951 legislature that drivers who have had one serious accident be required to get liability policies before being allowed to drive again. This is one of seven recommendations made. No recommendations were made for changing the minimum age for automobile drivers.

License Revocation Reversed

The common pleas court at Cleveland has reversed a ruling of the Ohio department revoking the license of Bernard Deutchman of that city on the ground that he had violated the law relative to writing insurance on controlled business. It is understood that Deutchman and his father are engaged in the contracting business.

Women's Regional at Madison

National Assn. of Insurance Women will hold a regional convention at Madison, Wis., March 10-11.

Progressive Mutual opened its new home office building at Cleveland with an open house for policyholders and friends. Extensive use of glass, which completely encloses the entrance, gives those passing the new building a full view of the operations carried on in the general office. There are 18 departmental and individual offices, all on one floor. The building is air conditioned and has fluorescent lighting.

NEWS BRIEFS

Charles N. Shepherd, Chicago marine manager of Commercial Union, talked on "wet" marine insurance before the C.P.C.U. class at the University of Cincinnati evening college.

Ben F. Fronk, former president of the Manitowoc and Wisconsin Assns. of Insurance Agents, has been appointed to the civil defense advisory board of Manitowoc. He is president of the chamber of commerce there.

D. Richard Mead, president of the D. R. Mead & Co. agency, has been re-elected to the board of governors of the Miami Beach Chamber of Commerce.

Headquarters of Mississippi Assn. of Insurance Agents has moved to 455 Edwards hotel, Jackson.

E. E. Doggett, superintendent of agents of the T. E. Braniff Co., Oklahoma City, is celebrating his 30th anniversary with that firm and his 42nd year in insurance.

Arthur L. Parr of Wm. H. McGee & Co., has been elected resident vice-president at Baltimore.

Harrison S. Nolt, Columbia, Pa., has been elected chairman of Farm Bureau Mutual Fire of Columbus, replacing Everett F. Rittenour, who is retiring.

John M. McCollum, former director of Insurance Assn. of Los Angeles, has been installed as president of the Los Angeles Kiwanis Club.

Rep. Andrew Bolt, Grand Rapids, has been named chairman of the house insurance committee.



"FIND OUT WHO LIVES HERE — THEY'D BETTER CARRY LIABILITY INSURANCE."

THE AGENCY SYSTEM

is the heart of the insurance business. In the General Accident and Potomac organizations agency relationship is a friendly and vital factor, winning good will and building successful agencies.



EXECUTIVE OFFICES
GENERAL BUILDINGS
PHILADELPHIA

INSURANCE NEWS BY SECTIONS

PACIFIC COAST AND MOUNTAIN

Hot Fight Indicated on Several Cal. Insurance Bills

SACRAMENTO — The California legislature, which has recessed until March 25, has before it 223 bills dealing directly or indirectly with insurance, including 118 proposing changes in the UCD act.

The most highly controversial are the two measures sponsored by the California department which would extend the present code provisions regarding moneys received by agents and brokers being held in a fiduciary capacity and how they shall be handled.

This has been a very live issue in California ever since former Commissioner Caminetti issued his ruling requiring producers to keep all insurance premiums in a trust account and not commingle them with personal funds. Agents and brokers generally are not satisfied with the provisions of the new measures and there is certain to be a stiff fight on them.

The so-called anti-coercion bills are strongly backed by California Assn. of Insurance Agents, but loaning agencies, including building and loan associations, automobile finance firms and personal loan agencies, will go into the last half of the session prepared to kill the bills if possible. A similar measure was defeated in 1949 by a single vote, the proponents of the bill having gone to sleep at the critical closing hours of the session.

Complications on Standard Provisions

The fate of the uniform bill for revision of the A. & H. standard provisions law, approved by National Assn. of Insurance Commissioners, is tied up with the way in which it would affect the minimum benefits act, pushed through the last legislature by Commissioner Downey. There are provisions in the two measures which are not compatible and while the standard provisions bill in most states is not expected to be regarded as a controversial measure, there are complications here which make the action on it somewhat uncertain.

A new measure, directly aimed at what in many instances has deteriorated into a racket, is a department bill to put medical and hospital associations directly under the control and supervision of the department. It would curb the fly-by-nights, without any harmful effect on legitimate organizations such as Blue Cross, Blue Shield and California Physicians Service. It will have the full support of disability insurance interests but undoubtedly will be fought by the associations affected.

Hoppe Now Consultant

William G. Hoppe has resigned as purchasing agent of National Auto & Casualty of Los Angeles to engage in the development of insurance systems and provide consulting services for fire and casualty companies. He had been with National A. & C. five years. He has specialized in policy design and has introduced a number of interesting features.

Heavy Ore. Legislative Fare

Several bills which affect insurance have been introduced in the Oregon legislature. One, a broad form financial responsibility law, provides for posting security with respect to any accident causing in excess of \$100 property damage or bodily injury or death to any person. Security must be posted regardless of fault after every covered accident and a 5/10/1 policy meets requirements of the act.

There were reports also that a bill was expected to be introduced to exempt from the present agents limitation law fire companies' appointments of agents to write automobile insurance only. It also was rumored the law may be repealed in its entirety.

Other measures include an anti-coercion law, a bill to permit the plaintiff in a tort action to name the insurer as a co-defendant, a comparative negligence bill, and a bill which would place employees under the Oregon workmen compensation fund if employers permit private coverage to lapse.

Backs Replacement Cover Bill

Washington Assn. of Insurance Agents is sponsoring a bill in the legislature designed to legalize writing of replacement insurance on equipment and also to permit issuance of a separate policy covering replacement value.

The Washington code permits replacement insurance to be written only on real property and the coverage must be written as an endorsement to a regular fire policy.

Enlarge Spokane Office

Hartford Accident and Hartford Fire have enlarged their service office at Spokane. The underwriting division moves to another floor, and the claims department will occupy the quarters formerly housing the entire Spokane office.

SOUTH

N. C. Withdraws Approval of Single Interest Auto Cover

RALEIGH—Commissioner Cheek has withdrawn former approval of single interest fire and theft, collision, conversion, embezzlement or secretion coverages on automobiles.

The coverage has been offered to lending institutions to protect only their interest in cases where a company was not willing to offer coverage to the car owner or borrower because of his driving record. One of the conditions has been that the finance company must repossess the wrecked car before the insurer pays anything.

Mr. Cheek said investigations have shown that the usual practice of a bank or finance company holding coverage has been to store a wrecked car and sit tight, even though the borrower or car owner is not delinquent in any of his payments. The car owner, having neither insurance coverage nor car, usually refuses to make any further loan payments. This puts him in default on his loan and gives the finance company a legal right to repossess the car. The bank or finance company then repossesses it and turns the vehicle over to the insurer for a check equal to the unpaid balance.

Name Finley at Enid

Robert E. Finley has been appointed manager at Enid, Okla., for General Adjustment Bureau, to succeed Larry M. Ransey, resigned.

Mr. Finley joined the bureau in 1945 after 17 years in the automobile finance business. He started at Oklahoma City.

Hold 1752 Clinics in N. C.

Southern 1752 Club has completed a series of clinics at Greenville, Raleigh and Charlotte, N. C.

At each meeting a representative of the federal social security administration talked on the social security law and how it affects local agents. There was a talk by representative of Dun &

Bradstreet on current business trends.

A panel of field men described a hypothetical department store risk and the hazards to which it would be subject, commenting on the fire and casualty coverages needed for complete protection.

Lyle Buys DeWitt Interest

C. B. Lyle, president of Lyle Adjustment Co. of Phoenix, has purchased the interest of C. E. DeWitt in the DeWitt & Lyle Adjustment Co. of El Paso, and Lyle Adjustment now has seven offices in Texas, Arizona and New Mexico.

Clarendon Ions, fire loss supervisor at Phoenix, will move to El Paso for direct supervision of west Texas, southern Arizona and southern New Mexico. Harry Bryant, who has been an independent adjuster at Hobbs, N. M., will have charge of casualty losses at El Paso.

Would Clarify Policy Content

A bill to be introduced in the Tennessee legislature will seek clarification of liability for sleet and snow damage under the standard liability policy. Some members of the legislature have insinuated that assured have been misled by the small-type sections of their policies to believe that they have coverage for such damage.

Another bill already introduced would make all county governments liable for all vehicles owned and operated by them and would permit them to carry liability insurance.

EAST

Cooney, Matthai Added to Pittsburgh Day Program

PITTSBURGH — John R. Cooney, president of the Loyalty group, and Joseph F. Matthai, executive vice-president of U.S.F.&G. have been added to the Pittsburgh Insurance Day program and will address the dinner Feb. 27. Mr. Cooney is vice-president of National Board. Mr. Matthai is president of Assn. of Casualty & Surety Companies. They will respond to "a toast" to be delivered by John M. Thomas, chairman of National Union. Commissioner Leslie will also be on the dinner program.

Mass. Brokers Hear Adam

John Adam, Jr., resident secretary Central Manufacturers Mutual, Boston, discussed business interruption insurance at the first meeting of the "spring refresher course" sponsored at Boston by Insurance Brokers Assn. of Massachusetts.

Thomas Kelly, New England Fire Insurance Rating Assn., will talk on "The Know-How of Fire Rate Reductions," at a meeting March 8. Griswold W. Roche, broker, will discuss "Personal Surveys" at the April 12 meeting, and Walter Collins, Rough Notes Co., will speak on "Office Practices" at the May 10 meeting.

Honor 65-year Service

Officials of Armstrong-Roth-Cady Co., Buffalo, were presented a bronze plaque at a luncheon commemorating 65 years' representation of Standard Accident.

The agency was represented by Charles M. Epes, president; Leonard R. Bissell, vice-president, and Edward C. Roth, vice-president, who, though 93 years of age, is still conducting business as usual.

Leon L. Tracy, former field man for Aetna Casualty at Springfield, Mass., and more recently general agent of Loyal Protective Life for western Massachusetts, has joined W. G. Brainerd in the operation of his agency at Hartford.

MIDDLE WEST

Honor C. W. Davis, Veteran Cleveland Local Agent

Charles W. Davis, president of the Albert Rees Davis agency of Cleveland, was given a testimonial luncheon last week on the occasion of his 80th birthday.

Mr. Davis has been in the agency business at Cleveland since 1903 when he joined the office of his older brother, Albert Rees Davis. He has been president since the death of his brother in 1919.

Mr. Davis was a director of the Cleveland Board from 1921 through 1930, becoming president in the latter year. He has two sons, Albert R. Davis, II, and Willis Davis, who have been with the agency since their return from duty in the war.

Arrangements for the dinner were made by George W. Phypers. Charles A. Collier, president, spoke on behalf of the board and Hugh K. Dawson, vice-president, was master of ceremonies. Mr. Davis was presented a testimonial by John W. Barrett, and E. B. Berkeley presented him with a mahogany coffee table.

Among the guests was S. J. Horton, retired executive secretary of the board, who has returned to Cleveland after a visit in Ireland.

Auto Dealer-Agents Elect

Independent Insurance Agents of Ohio, Inc., composed of automobile dealers who are licensed as agents, at its convention at Columbus elected C. W. Medick, Columbus, president; H. K. Folk, Akron, first vice-president; R. E. Reinhold, Cincinnati, second vice-president, and Fred G. Evans, Youngstown, treasurer.

Speakers were Donald W. McGinnis, vice-president of General Motors, New York, and Congressman Charles A. Halleck of Indiana.

Observes 60th Anniversary

The Olson-Enstad-Larson agency, Fergus Falls, Minn., was honored by North America at a testimonial dinner in celebration of 60 years' continuous representation of that company. The original agency was Lake & Lowry, which later became Lowry, Stang & Olson and in 1948 Olson-Enstad-Larson.

John Davis, manager at Minneapolis, presented a testimonial certificate to W. R. Olson, president of the agency. H. A. Paulson of Fargo, A. E. Loe and H. A. Stone of Minneapolis, also attended.

After the dinner meeting the entire group was entertained by Mr. and Mrs. M. T. Enstad at their home.

Urges Voluntary Group Plans

L. V. Weisensel, Eau Claire, Wis., president of La Crosse County Assn. of Insurance Agents and a regional chairman of the state association, urged Eau Claire Rotarians to "combat the threat of socialized medicine" by the adoption of more comprehensive voluntary group insurance plans.

Rydman Reviews Legislation

Current legislation concerning insurance was discussed by Robert Rydman, assistant director of insurance of Nebraska, at a meeting of Lincoln Assn. of Insurance Agents.

TS

ST

Veteran

nt of the
Cleveland,
n a testi-
uncheon
k on the
of his 80th

avis has
ne agency
at Cleve-
nce 1903
joined the
his older
Albert
is. He has
dent since
n of his
1919.

avis was a
ard from
president
two sons,
is Davis,
ncy since
war.

ner were
Charles
behalf of
son, vice-
onies. Mr.
nomial by
Berkeley
ny coffee

Horton,
he board,
d after a

ect

gents of
utomobile
gents, at
ected C.
nt: H. K.
nt: R. E.
ice-presi-
ngstown,

McGinnis,
ors, New
Charles A.

sary

agency,
ored by
d dinner
ntinuus
y. The
Lowry,
Stang &
-Larson,
neapolis.
icate to
agency.
E. Loe
lis, also

e entire
nd Mrs.

Plans

e, Wis.,
y Assn.
regional
n, urged
bat the
by the
e volun-

lation

insur-
tydman.
of Ne-
n Assn.



Do you realize what can happen when you run an electric cord under a rug? Friction from walking on the rug wears the insulation off the wires. The bare wires cause a short circuit . . . and a fire. Guard against this risk by having enough electric outlets installed—and have them installed by an expert electrician who understands safety requirements.

ÆTNA INSURANCE GROUP

AETNA INSURANCE COMPANY • THE WORLD FIRE AND MARINE INSURANCE CO.
THE CENTURY INDEMNITY COMPANY • STANDARD INSURANCE CO. OF N. Y.
HARTFORD, CONNECTICUT



This advertisement also appears—in color—in **TIME**, **NEWSWEEK**, **PATHFINDER**,
U. S. NEWS and **WORLD REPORT**.
Clinton L. Allen, President

FOUNDED IN 1819, the Aetna Insurance Company takes its name from the famous volcano, which "though surrounded by flame and smoke is itself never consumed." From that day to this—through wars, conflagrations and depressions—no policyholder has ever suffered loss because of failure of an Aetna Company to meet its obligations.



THINK FIRST OF THE AETNA

THE royal governors of five colonies met with General Edward Braddock in the Blue Room of the Carlyle House, Alexandria, Virginia, in April 1755. The purpose of the council was to discuss the colonists' participation in the French and Indian War and to plan Braddock's Indian campaign. George Washington, then only twenty-three years of age, was also invited to join the group on account of his knowledge of Indian warfare. Though Washington was made a member of Braddock's staff with the rank of major, because of his youth, the general was reluctant to follow his advice.

A few days after the meeting Braddock's expedition set out from Alexandria only to

Famous American Homes



Washington presented this gift to the Carlyle children

CARLYLE HOUSE

scene of fateful decisions

be overwhelmingly defeated in a disastrous battle near Fort Duquesne in which the general lost his life and three-quarters of his troops were killed, wounded or missing. To prevent the enemy from knowing of Braddock's death his men secretly buried him and concealed his grave by driving heavy wagons across it. At the midnight burial Washington read the service after which he led the thirty survivors of his force back to Alexandria.

A tax on the colonists to finance the French and Indian War was proposed by the governors in their historic meeting in the Blue Room. Preceding the Stamp Act by ten years, it was the first of the levies which were to incite rebellion against the British government. As the first demand for taxation originated in the Carlyle House, the home has often been referred to as "the place where the Revolution was born."

Owner of the house was Colonel John Carlyle, one of Alexandria's wealthiest men and a prominent social and political figure. Emigrating from his native Scotland to Dumfries, Virginia, in 1740, with two fellow countrymen he later moved up the



Blue Room, scene of councils and balls



Early utensils to delight lovers of antiques

Potomac to the site of Alexandria of which they became founders and trustees. Every year on St. Andrew's Day kilted bagpipers and other members of the local St. Andrew's Society pay tribute to the Scots who founded Alexandria.

For many years Carlyle carried on a prosperous trading business with Glasgow. During the Revolution his ships succeeded in running the British blockade, enabling him to supply Washington's army.

The Carlyle House was built in 1752 on the site of an old fort known as the Hanging Fort because of the numerous executions that took place there. Still visible in the foundations are traces of gloomy dungeon cells where Indians were imprisoned.

This impressive old mansion is now open to the public through the courtesy of its owner. Though present-day buildings have encroached on the surrounding area, aside from its historical interest it is architecturally important as one of the great houses of Virginia.

* * *

The Home, through its agents and brokers, is America's leading insurance protector of American homes and the homes of American industry.

☆ THE HOME ☆ Insurance Company

Home Office: 59 Maiden Lane, New York 8, N. Y.

FIRE • AUTOMOBILE • MARINE

The Home Indemnity Company, an affiliate, writes
Casualty Insurance, Fidelity and Surety Bonds

Copyright 1951, The Home Insurance Company